

POLY DEVELOPMENTS AND HOLDINGS

2024 Sustainability Report



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REPORT PREPARATION INSTRUCTIONS

Reporting period

From 1 January 2024 to 31 December 2024("Reporting Period"), certain content may appropriately extend beyond the reporting period to enhance this report's comparability and forward-looking nature.

Terms and definitions

For the purposes of this report, the terms below are used with the following meanings unless otherwise specified:

Poly Group	Refers to	China Poly Group Corporation Limited
The Company, Poly Developments and Holdings, or we/us	Refers to	Poly Developments and Holdings Group Co., Ltd. and its subsidiaries
Poly Property	Refers to	Poly Property Services Co., Ltd.
Fuli Construction	Refers to	Fuli Construction Group Co., Ltd.
Poly Commerce & Tourism Development	Refers to	Poly Commerce & Tourism Development Co., Ltd.
Zhonggong Architectural Design Institute	Refers to	Guangdong Zhonggong Architectural Design Institute Co., Ltd.
Poly Harmony	Refers to	Poly Harmony Real Estate Investment Consultancy Co., Ltd.
Poly Cultural Tourism	Refers to	Poly (Chongqing) Cultural Tourism Industry Development and Management Co., Ltd.
Poly Health	Refers to	Poly Health Industry Investment Co., Ltd.
Poly Events	Refers to	GuangZhou Poly International Trade and Investment Co., Ltd.
Poly Apartment	Refers to	Poly Apartment Management Co., Ltd.
Poly Capital	Refers to	Poly (Hengqin) Capital Management Co., Ltd.

Preparation basis

This report is mainly prepared in accordance with a range of pertinent reporting standards, such as the *Guidelines to the State-owned Enterprises Directly under the Central Government on Fulfilling Corporate Social Responsibilities* issued by the State-owned Assets Supervision and Administration Commission of the State Council of the People's Republic of China ("SASAC"), the *Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-ESG5.0)* issued by the Chinese Academy of Social Sciences ("CASS"), the *Study on ESG Special Report Compilation for Listed Companies Controlled by Central Enterprises* issued by the SASAC, the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* ("Guidelines") issued by the Shanghai Stock Exchange, *Global Reporting Initiative Sustainability Reporting Standards* ("GRI Standards"), as well as the *guide for business action on the SDGs* ("SDG Compass").

Scope and boundary

Unless otherwise specified, this report covers the actual business scope of Poly Developments and Holdings Group Co., Ltd. and its subsidiaries. Unless stated otherwise, all amounts in this report are denominated in RMB.

Review and approval

The Board of Directors of the Company deeply recognises the importance of sustainable development to the Company's long-term growth, reviews and confirms the Company's annual sustainable development goals and plans, regularly assesses the Company's progress and performance in carbon neutrality, climate change, and other sustainability areas, and continuously supervises the direction and task implementation of sustainable development.

Disclaimer

This report contains forward-looking statements. Therefore, terms including but not limited to "will", "expect", "predict", "future", "aim", "estimate", "plan", "believe", "potential", "continue", "continuously", "goal", "purpose", and "may/might/can/could" will be utilised herein. As these statements are prepared based on current expectations, assumptions, estimates, and predictions, they may significantly deviate from the actual results due to uncertainties. Under this circumstance, the Company assumes no obligation to update any forward-looking statements herein unless mandated by pertinent laws. Additionally, the Company bears no responsibility for any consequences resulting from individuals' judgements based on the information provided herein.

Report access

This report is prepared in both Chinese and English. In case of any discrepancy between the two versions, the Chinese version shall prevail.

To read or download this report, please visit Poly Developments and Holdings' official website at <http://www.polycn.com/social.html>.

Feedback

Poly Developments and Holdings Group Co., Ltd.

Address: Office of the Board of Directors, 53/F, Poly Development Plaza, 832 Middle Yuejiang Road, Haizhu District, Guangzhou

Post Code: 510308

Tel.: 020-89898989/020-89898833

Email: stock@polycn.com

Website: <http://www.polycn.com>

MESSAGE FROM THE SENIOR MANAGEMENT

The year 2024 is one of both opportunities and challenges, a year when innovation and steady progress intertwine. The successful convening of the Third Plenary Session of the 20th Central Committee of the Communist Party of China made arrangements to comprehensively deepening reform and promote Chinese modernisation, pointing the way forwards and direction for enterprise development.

Under the guidance of national policies aimed at stabilising and recovering the real estate market and strongly supporting people in buying their first homes or improving their housing situation, Poly Developments and Holdings has remained steadfast in its noble mission of "Safeguard the Country & Serve the People; Strive for Excellence." Upholding the brand philosophy of "Building Harmony", Poly Developments and Holdings regards "Better Products, Better Services, and Better Life" as its core strategy, focusing on three business segments: real estate investment and development, real estate operation, and integrated real estate services. It strives to build a real estate ecosystem platform with excellent competitiveness and becomes a "Faithful Implementer of National Strategies, Pioneer of Industry Innovation, Driver of Urban Development, and Co-creator of Better Lives".

In 2024, Poly Developments and Holdings' business network extended to over one hundred cities across China. Real estate development and property services maintained their leading positions among central state-owned enterprises ("central SOEs"), whilst commercial operations, brokerage services, and financial services have been ranked among the industry's top 10 for consecutive years. The revenue for the year reached RMB311.7 billion, with total profits reaching RMB15.6 billion.

» Building future: Embedding green development across the value chain

In response to the global challenge of climate change and to further implement China's "dual-carbon" strategy and the requirements for "quality homes", Poly Developments and Holdings has embedded environmental concepts throughout product design, development, construction, and operations. It has established a green building design system and a healthy building system, maximising resource conservation and carbon emission reduction. Through a systematic approach, Poly Developments and Holdings has created green and healthy ecological spaces and supported the development of a circular economy. As of 2024, Poly Developments and Holdings had implemented ultra-low energy projects covering 1.11 million square metres and nearly zero energy projects spanning 410,000 square metres. The gross floor area of new projects met 100% of green building standards, of which 5.21 million square metres met China Green Building Two-star or higher certifications, securing a leading position in the industry. In green operations, Poly Developments and Holdings pursues harmony between development and ecology, enhances environmental management across all operational stages, actively builds environmental management systems, improves resource recycling efficiency, upgrades pollutant and waste management, supports biodiversity protection, promotes harmonious coexistence between real estate development and operations and the environment, and maintains a dynamic balance between urban growth and ecological protection.

» Valuing talent: Becoming a companion in employees' growth

Talent is the lifeblood of an enterprise and the continuous source of innovation. Poly Developments and Holdings deeply values its people and is committed to fostering their development and creativity. Guided by the corporate spirit of "Loyalty, Responsibility, Pragmatism, and Striving," the Company provides an equal employment platform for all talent. It has established a comprehensive promotion and training system, a sound occupational health and safety management mechanism, and a series of supporting initiatives. These efforts aim to create an inclusive, motivated, safe, and healthy workplace ecosystem, fostering unique cultural attractiveness and stimulating innovative thinking. The Company works side by side with its employees to draw a blueprint for sustainable development and build high-quality lives. In 2024, the Company conducted more than 37 thousand training sessions, and spent a total of RMB37.14 million on training. Investment in work safety exceeded RMB2,134 million, with over 42 thousand training sessions in work safety conducted for employees and contractors.

» Enjoying connectivity: Becoming a co-creator of better lives

In this era of quality, and with a deep commitment to intelligent connectivity, Poly Developments and Holdings adheres to a customer-centric approach. It incorporates a humanistic spirit throughout the real estate ecosystem platform chain, embedding it into the full range of its products and services. From settlements to communities and urban zones, Poly Developments and Holdings has developed "Five Strengths"—investment strength, sales strength, product strength, asset management strength, and service strength—creating "Humanistic Homes and Technological Houses." This enables Poly Developments and Holdings to provide customers with full-time, full-space, and holistic experiences, paving a new path to a better life by building a real estate ecosystem platform with excellent competitiveness. In 2024, building on the concept of "humanistic communities", Poly Developments and Holdings further advanced the concept of "humanistic services", delivering 165,000 high-quality homes, with sales maintaining the top position nationwide. In service provision, Poly Developments and Holdings focused on the entire better home industry chain, including property management, eldercare, and hospitality, with 760 million square metres under management nationwide. Across four key regions—Beijing, Shanghai, Guangzhou, and Chengdu—over 50 elder care projects were under operation or construction. Poly Developments and Holdings' hospitality services covered over 110 projects, ensuring full coverage of better standards, better construction, and better services.

» Serving livelihoods: Becoming a driver of urban and rural development

Poly Developments and Holdings has always kept in mind the major concerns of the nation, acting as a "Faithful Implementer of National Strategies". It actively participates in the construction of public infrastructure and provides low-cost subsidised housing for people in need. Whilst preserving urban memory, Poly Developments and Holdings integrates humanistic care and historical warmth into urban development. In the grand endeavour of rural revitalization, Poly Developments and Holdings' steady steps have reached every hopeful piece of land. It has contributed to revitalization and development across multiple areas, including rural education, infrastructure, industrial development, and cultural heritage. Poly Developments and Holdings also actively participates in public welfare and charitable causes, donating to various charitable projects and carrying out diverse public welfare activities, continuously bringing positive energy to society and weaving a "happiness network" for people's lives. As of 31 December 2024, Poly Developments and Holdings had a total of 186 government-subsidised housing projects (including projects involving subsidised housing), with a gross floor area of 9.46 million square metres. During the Reporting Period, the total investment in rural revitalization by Poly Developments and Holdings reached RMB15.58 million.

» Upholding compliance: Becoming a role model for a strong corporate reputation

Poly Developments and Holdings adheres to its corporate vision of "Becoming a Respected and Outstanding Enterprise," reflected not only in its business performance but also in its commitment to law-abiding operations and integrity. Guided by Party building, the Company enhances its compliance management system and multi-tiered organisational structure, optimises risk control strategies, and improves internal control and oversight management efficiency. These efforts aim to continuously strengthen corporate governance capabilities and standards, establish a solid "firewall" of business ethics, set a benchmark for fair competition in the industry, and safeguard the "lifeline" of sustainable development.

The year 2025 marks the conclusion of the 14th Five-Year Plan and a critical period for the deeper implementation of national policies promoting the construction of safe, comfortable, eco-friendly, and smart "quality homes" that benefit the country and the people. Poly Developments and Holdings will continue to align its core business with national "quality homes" policies, consistently pursue innovation and explore new real estate development models, and take strategy as the pen and responsibility as the ink. Through the delivery of Poly "quality homes", Poly Developments and Holdings aims to lead the industry towards a new development paradigm, demonstrating the responsibility and commitment of a central SOE in advancing industry innovation, urban development, and public well-being.

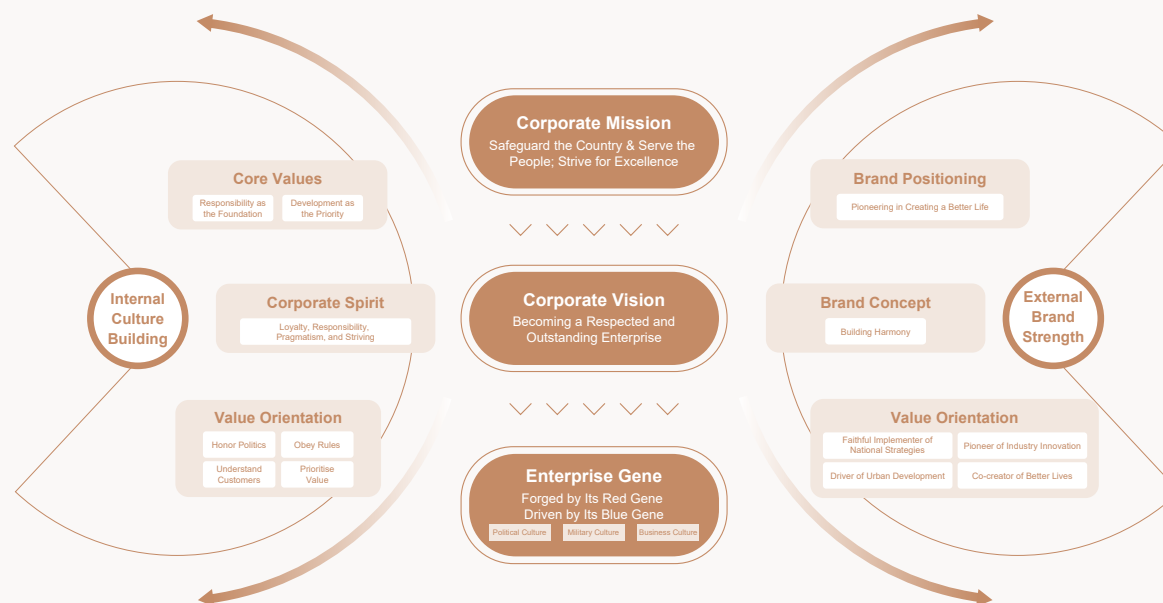
COMPANY OVERVIEW

COMPANY PROFILE

Poly Developments and Holdings Group Co., Ltd. (600048.SH), hereinafter referred to as "Poly Developments and Holdings", was established in 1992. The Company is deeply engaged in the real estate industry, providing integrated services across real estate investment and development, real estate management, and comprehensive real estate services. It continuously builds a real estate ecology development platform with excellent competitiveness. With business operations covering more than one hundred cities nationwide, Poly Developments and Holdings has maintained its leading position among central SOEs in real estate development and property services. Its commercial operations, brokerage services, and financial services have been ranked among the industry's TOP 10 for consecutive years. With outstanding capabilities in construction, operation, and service, Poly Developments and Holdings actively fulfils national strategies and has made significant contributions to driving industry innovation, urban development, and improving people's quality of life.

CORPORATE CULTURE

Guided by the corporate mission of "Safeguard the Country & Serve the People; Strive for Excellence", and driven by the core values of "Responsibility as the Foundation and Development as the Priority", Poly Developments and Holdings upholds the brand positioning of "Pioneering in Creating a Better Life". Adhering to the brand concept of "Building Harmony", the Company insists on a customer-centric approach and follows the value orientation of "Honor Politics, Obey Rules, Understand Customers, Prioritise Value". The Company strives to become world-class and is committed to becoming a respected and outstanding enterprise.



Brand concept

Poly Developments and Holdings consistently upholds the brand philosophy of "Building Harmony", taking "Harmony" as the guiding principle and "Goodness" as the goal. It pursues excellence through professionalism, builds happiness for its customers through quality, and leads the industry towards a better future through development.

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"Harmony" represents the highest realm of traditional Chinese culture and serves as the cultural core of Poly Developments and Holdings.

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"Branding" means Poly Developments and Holdings is a "Faithful Implementer of National Strategies, Pioneer of Industry Innovation, Driver of Urban Development, and Co-creator of Better Lives".

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"Building" symbolises the path by which Poly Developments and Holdings, adopting a customer-centric approach, leads to a better life.

善

"Goodness" embodies the original aspiration and essential quality of Poly Developments and Holdings as a responsible central SOE, and the enduring mission that drives itself forwards.

Core corporate values

Foundation of the Soul

A Loyal Heart Upholding Party Leadership
— Red Genetic

A loyal heart upholding Party leadership is the essence of Poly Developments and Holdings as a SOE. As a pioneer in the "Era of Quality", Poly Developments and Holdings has established a new model of growth as a "Tree of Development". Through its role as a chain leader, Poly Developments and Holdings continues to drive progress across the industry.

Foundation of Growth

A Blue Ocean, a Future of Possibilities
— Blue Market

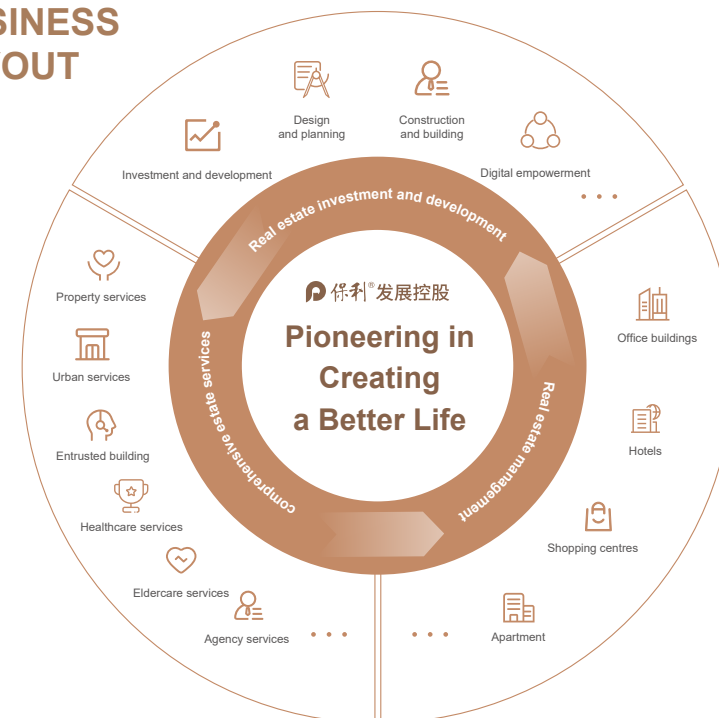
A blue ocean, a future of possibilities, embodies the development foundation of Poly Developments and Holdings as a market-oriented enterprise. Poly Developments and Holdings is expert in strategy and strong in execution, expanding from residential projects to urban development, from "Quality Residential Community Demonstration Projects" to a comprehensive "Real Estate Ecosystem Platform", constantly surpassing itself.

Source of Strength

A Touch of Military Green, Rooted in its Military Heritage
— Green Execution

A touch of military green, rooted in its military heritage, reflects Poly Developments and Holdings' origins in the military. For 14 consecutive years, Poly Developments and Holdings has been committed to "Building Harmony" and maintained its position as the leading central SOE in the industry, operating steadily across cycles whilst continuously strengthening, optimising, and expanding its business.

BUSINESS LAYOUT



MATERIALITY ASSESSMENT OF TOPICS

Poly Developments and Holdings gathers extensive internal and external information to carry out a dual materiality analysis, identifying and reviewing materiality topics that are truly relevant to the Company's development and strategy. By incorporating the results of stakeholder engagement, a scientific and comprehensive topic materiality analysis conclusion has been drawn to guide and support the Company in making greater achievements in sustainable development.

» Step 1: Analysis based on Poly Developments and Holdings' current status and relevant contexts

Poly Developments and Holdings has conducted an in-depth analysis of the current status of policies, laws and regulations, publicly available information, business models, and the value chain based on its current circumstances. This process leads to the development of a business relationship and stakeholder distribution map, as well as a clear outline of Poly Developments and Holdings' business relationships, key stakeholders, and sustainable development directions, as illustrated below:

Operational Process	Key Stakeholders Involved	Sustainability Expectation
Investment and development	- Government/Regulatory authorities - Shareholders/Institutional investors/Securities analysts	- Environmental friendliness and environmental compliance - Investment return and performance delivery
Engineering and construction	- Government/Regulatory authorities - Partners	- Resource conservation and environmental friendliness - Supply chain management and shared industry prosperit
Project marketing	- Customers - Media	High-quality products and services, and responsible marketing
Property operation	- Customers - Community/Charity organisations	- High-quality products and services - Community welfare, environmental protection, and management
Internal operations	- Employees - Partners	- Employee rights and well-being, and occupational health and safety - Supply chain management and industry empowerment
Asset management	- Customers - Shareholders/Institutional investors/Securities analysts	- High-quality products and services - Asset return rate and operational management

DUAL MATERIALITY ANALYSIS

As a committed advocate of sustainability in the real estate sector, Poly Developments and Holdings applies scientific assessment procedures and methodologies to conduct a systematic dual materiality assessment that encompasses both financial materiality and impact materiality. This approach enables the establishment of a sustainability topic framework that provides a decision-making framework for the precise identification of key topics and response to stakeholder expectations.

» Step 2: Establishment of a topic list

Poly Developments and Holdings actively refers to various sustainability standards, capital market expectations, and peer benchmarking analyses. By taking into account internal processes, such as risk management and due diligence, Poly Developments and Holdings conducts a comprehensive topic review.



Based on the above comparative analysis, the Company identified 6 environmental topics, 7 social topics, and 4 governance topics, resulting in a total of 17 sustainability topics for Poly Developments and Holdings. A full list of these topics is provided in the subsection "Materiality Analysis Conclusions".

» Step 3: Topic materiality assessment and confirmation

Based on its business operations and industry characteristics, Poly Developments and Holdings has conducted a materiality assessment through internal and external stakeholder engagement, research, judgement, and comparison. The assessment covers both impact materiality and financial materiality.

Impact materiality assessment

Poly Developments and Holdings assessed the scale and scope of both positive and negative impacts of the 17 identified materiality topics on the external environment. The likelihood of these impacts was also analysed. The final results of the impact materiality analysis are detailed in the subsection "Materiality Analysis Conclusions".

Financial materiality assessment

Poly Developments and Holdings has evaluated how the 17 materiality topics may influence its business development and financial indicators through internal surveys and expert assessments. The likelihood of such impacts has also been examined, ultimately forming the conclusions of its financial materiality assessment, as presented in the subsection "Materiality Analysis Conclusions".

» Step 4: Topic reporting

The results of Poly Developments and Holdings' impact materiality and financial materiality assessments have been reviewed and discussed by the Board of Directors. Detailed outcomes are provided in the subsection "Materiality Analysis Conclusions".

STRENGTHENED COMMUNICATIONS WITH STAKEHOLDERS

Poly Developments and Holdings actively engages in communication and research with various stakeholders, listening to and understanding their views and suggestions on the Company's sustainability with an open-minded approach. These efforts form a solid foundation for the continuous enhancement of its sustainability capabilities.

Stakeholder	Expectations and Demands	Response Strategy	Communication Channels and Frequency
 Employees	- Employee rights protection - Health and safety - Employee training and development	Improve employee rights protection systems, establish training system, strengthen work safety management.	Internal OA platform, quarterly employee meetings, annual training plan, and real-time anonymous reporting system (Frequency: Daily + quarterly/annual institutional communication)
 Customers	- Provision of quality products and services - Prefabricated and green buildings	Increase investment in the R&D of green building technologies, establish customer satisfaction tracking mechanisms, regularly conduct Open Day at the Construction Site and release "Monthly Project Newsletter".	Customer satisfaction surveys (annually) and online service platforms (real-time)
 Partners	- Supply chain and industry development - Strengthened communications with stakeholders - Promotion of business innovation and service for economic development	Perform full-cycle management of suppliers, require partners to sign the <i>Integrity Agreement</i> and provide suppliers with courses and support covering key ESG topics such as quality control and work safety.	Supply chain conference (annually), partner assessment reports (semi-annually), intellectual property sharing platform (real-time), and online ethics and compliance training (quarterly)
 Government/ Regulatory Authorities	"Dual-carbon" strategy - Resources and circular economy - Rural revitalization and social welfare - Promotion of business innovation and service for economic development	Establish a carbon emissions management system for the real estate sector, promote communications on green building and circular economy initiatives, and regularly disclose environmental performance data.	Specialised work reports (quarterly), direct data reporting to regulatory platforms (monthly), and policy proposal submissions (annually)
 Community/ Charity Organisations	- Environmental and ecological integration - Rural revitalization and social welfare	Carry out activities focused on ecosystem and biodiversity protection, and establish HE FUND to support community and social welfare initiatives.	Public welfare projects (annually) and community engagement (annually)
 Shareholders/ Institutional Investors/ Securities Analysts	- Climate change tackling - Corporate governance - Risk management - Strengthened communications with stakeholders	Optimise the sustainability governance framework, conduct analysis of climate change impacts, risks and opportunities, and regularly engage in sustainability communications.	Results briefings (quarterly), analyst briefings (monthly), and ad hoc material event announcements (immediate)
 Media	- Strengthened communications with stakeholders - Business ethics - Rural revitalization and social welfare	Establish a media information communication mechanism, actively participate in industry and media ESG exchanges, and set up a response channel for media supervision.	Press conferences (for major events), media open days (quarterly), and public opinion monitoring system (real-time)

MATERIALITY ANALYSIS CONCLUSIONS

The conclusions of the analysis of the impact materiality and financial materiality of Poly Developments and Holdings' sustainability topics are presented below:

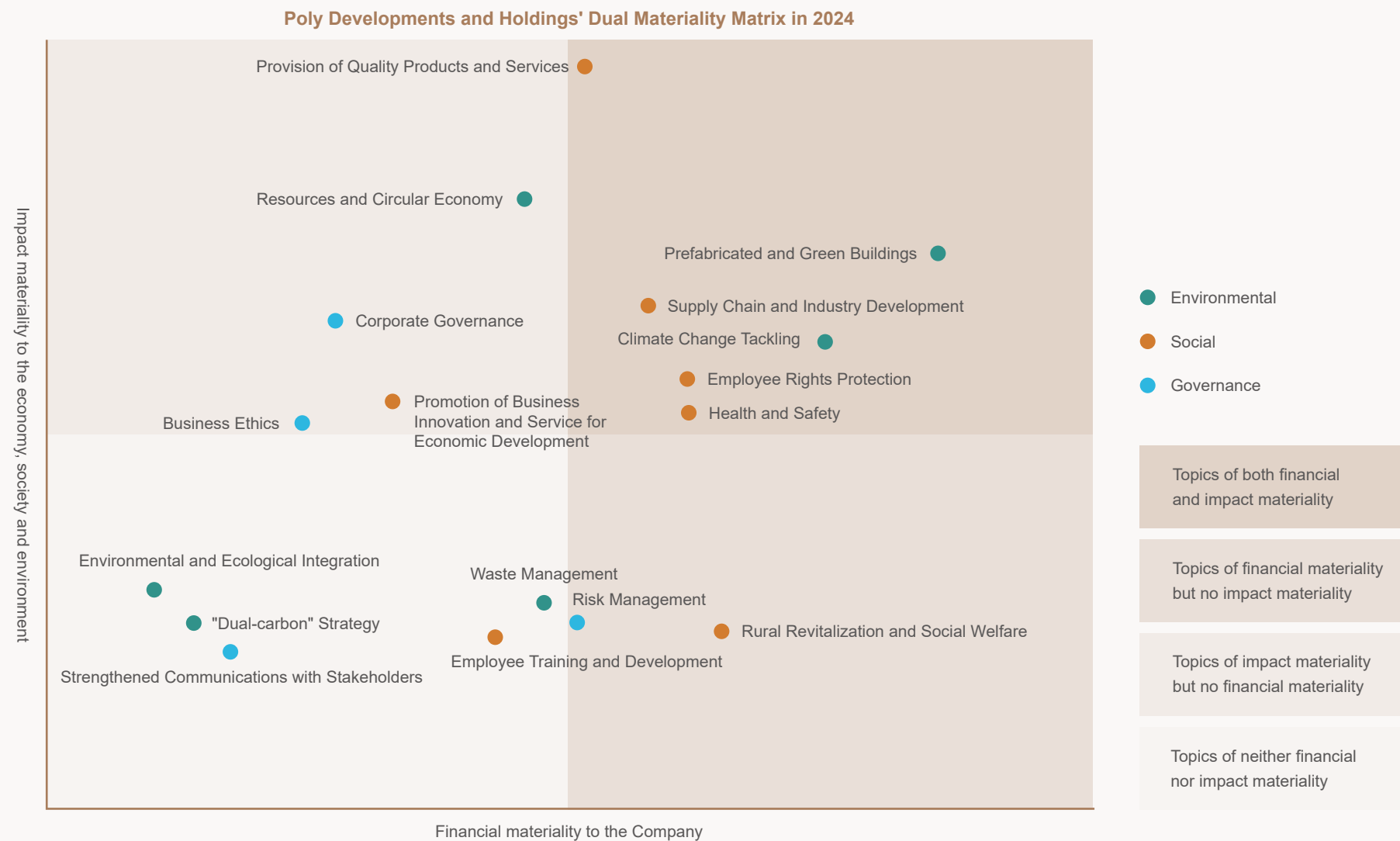
Impact materiality results

Ranking	Category	Topic	Materiality
1	Social	Provision of Quality Products and Services	High impact materiality
2	Environmental	Resources and Circular Economy	
3	Environmental	Prefabricated and Green Buildings	
4	Social	Supply Chain and Industry Development	
5	Governance	Corporate Governance	
6	Environmental	Climate Change Tackling	
7	Social	Employee Rights Protection	
8	Social	Promotion of Business Innovation and Service for Economic Development	
9	Social	Health and Safety	
10	Governance	Business Ethics	Moderate impact materiality
11	Environmental	Environmental and Ecological Integration	
12	Environmental	Waste Management	
13	Governance	Risk Management	
14	Social	Rural Revitalization and Social Welfare	
15	Social	Employee Training and Development	
16	Environmental	"Dual-carbon" Strategy	
17	Governance	Strengthened Communications with Stakeholders	

Financial materiality results

Ranking	Category	Topic	Materiality
1	Environmental	Prefabricated and Green Buildings	Assessed as financially material in 2024
2	Environmental	Climate Change Tackling	
3	Social	Rural Revitalization and Social Welfare	
4	Social	Health and Safety	
5	Social	Employee Rights Protection	
6	Social	Supply Chain and Industry Development	
7	Social	Provision of Quality Products and Services	
8	Governance	Risk Management	
The above topics will be disclosed in accordance with financial materiality requirements under the framework of "Governance — Strategy — Impacts, risks, and opportunities management — Indicators and targets"			
9	Environmental	Waste Management	Assessed as not financially material in 2024
10	Environmental	Resources and Circular Economy	
11	Social	Employee Training and Developmen	
12	Social	Promotion of Business Innovation and Service for Economic Development	
13	Governance	Corporate Governance	
14	Governance	Business Ethics	
15	Governance	Strengthened Communications with Stakeholders	
16	Environmental	"Dual-carbon" Strategy	
17	Environmental	Environmental and Ecological Integration	

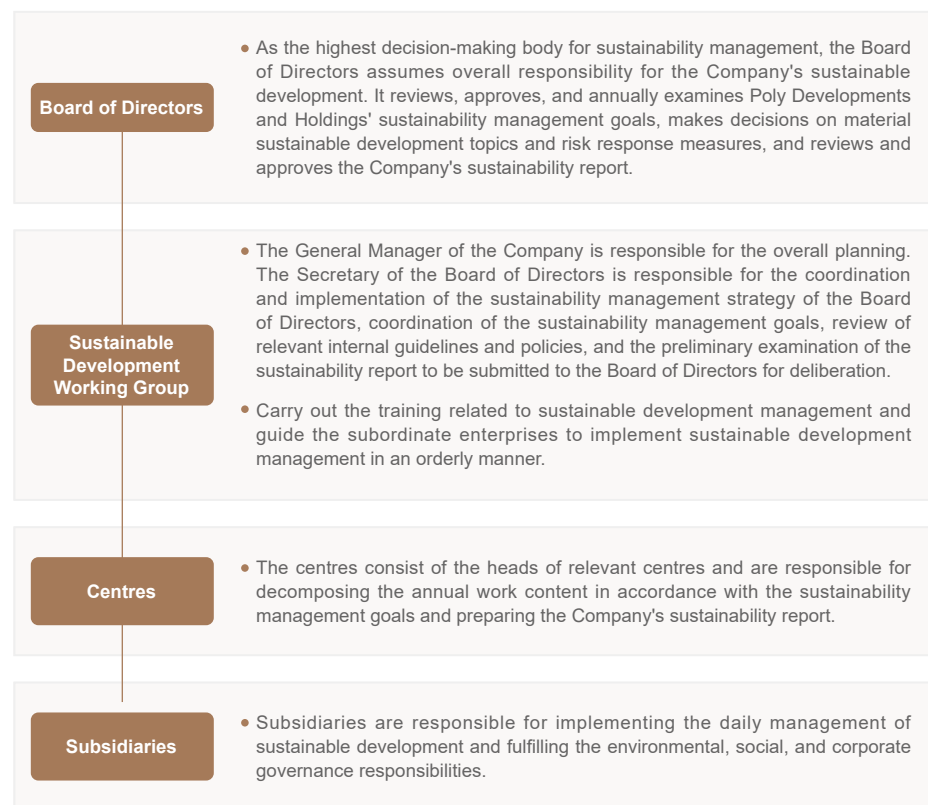
Dual materiality results



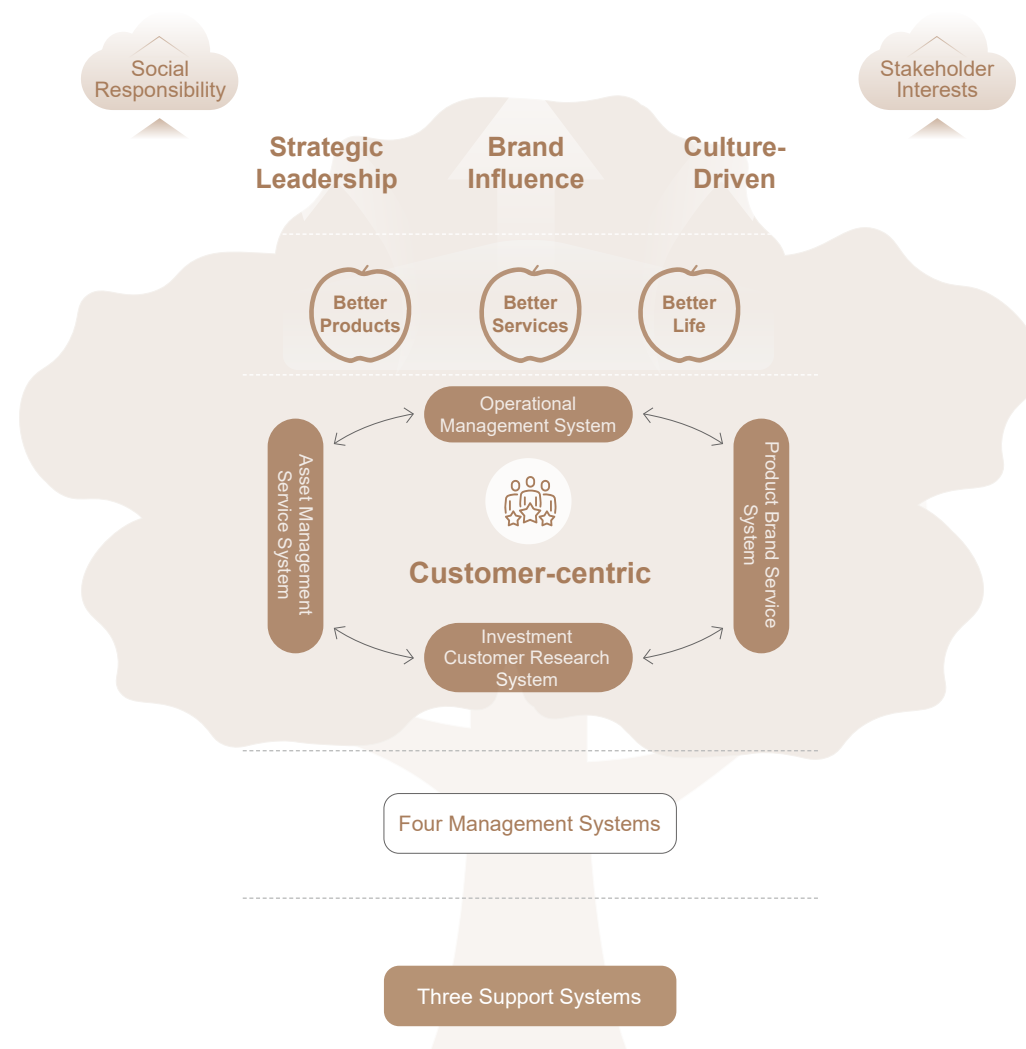
CORPORATE SUSTAINABLE DEVELOPMENT GOVERNANCE ARRANGEMENT

SUSTAINABLE DEVELOPMENT GOVERNANCE

Poly Developments and Holdings follows the relevant provisions of the *Code of Corporate Governance for Listed Companies* by the China Securities Regulatory Commission and *Guidelines No. 1 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Standardised Operation* by the Shanghai Stock Exchange, continuously enhancing the participation of the Board of Directors and the Management in sustainable development work. A four-level governance structure for sustainable development composed of the Board of Directors, Sustainable Development Working Group, various centres, and subsidiaries has been formed to effectively implement sustainability management.



SUSTAINABLE DEVELOPMENT STRATEGIES



SUSTAINABLE DEVELOPMENT INDICATORSS AND TARGETS

SDGs review and response

Under the leadership of the sustainability governance framework, the Board of Directors, special committees, centres, and subsidiaries all play vital roles in the Company's sustainable development governance, driving Poly Developments and Holdings' high-quality sustainable development.

SDGs	Description	Response Section of This Report
	SDG 1 NO POVERTY End poverty in all its forms everywhere.	• Advancement of Social Inclusion
	SDG 2 ZERO HUNGER End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	• Advancement of Social Inclusion
	SDG 3 GOOD HEALTH AND WELL-BEING Ensure healthy lives and promote well-being for all at all ages.	• Promotion of Employee Development • Advancement of Social Inclusion
	SDG 4 QUALITY EDUCATION Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	• Promotion of Employee Development • Advancement of Social Inclusion
	SDG 5 GENDER EQUALITY Achieve gender equality and empower all women and girls.	• Promotion of Employee Development
	SDG 6 CLEAN WATER AND SANITATION Ensure availability and sustainable management of water and sanitation for all.	• Resources and Circular Economy
	SDG 7 AFFORDABLE AND CLEAN ENERGY Ensure access to affordable, reliable, sustainable and modern energy for all.	• Climate Change Tackling • Resources and Circular Economy
	SDG 8 DECENT WORK AND ECONOMIC GROWTH Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	• Promotion of Employee Development
	SDG 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.	• Climate Change Tackling • Advancement of Social Inclusion

SDGs	Description	Response Section of This Report
	SDG 10 REDUCED INEQUALITIES Reduce inequality within and among countries.	• Promotion of Employee Development • Enhancement of the Value Chain Foundation • Advancement of Social Inclusion
	SDG 11 SUSTAINABLE CITIES AND COMMUNITIES Make cities and human settlements inclusive, safe, resilient and sustainable.	• Climate Change Tackling • Ecological and Environmental Friendliness • Enhancement of the Value Chain Foundation
	SDG 12 RESPONSIBLE CONSUMPTION AND PRODUCTION Ensure sustainable consumption and production patterns	• Resources and Circular Economy • Enhancement of the Value Chain Foundation
	SDG 13 CLIMATE ACTION Take urgent action to combat climate change and its impacts.	• Climate Change Tackling
	SDG 14 LIFE BELOW WATER Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	• Ecological and Environmental Friendliness
	SDG 15 LIFE ON LAND Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	• Ecological and Environmental Friendliness
	SDG 16 PEACE, JUSTICE AND STRONG INSTITUTIONS Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	• Corporate Governance • Risk Management and Internal Control • Business Ethics
	SDG 17 PARTNERSHIPS FOR THE GOALS Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development.	• Enhancement of the Value Chain Foundation

2024 sustainability performance



Sustainable development honours

Best Sustainable Development Practice Case of Listed Companies in 2024 China Association for Public Companies	China's Top 100 ESG Pioneer Listed Companies (2024) Financial and Economic Programme Centre of China Media Group	China's Top 50 ESG Pioneer Listed Companies in Greater Bay Area (2024) Financial and Economic Programme Centre of China Media Group	Second Guoxin Cup: ESG Golden Bull Award Top 100 China Securities Journal and China Reform Holdings Corporation
Second Guoxin Cup: ESG Golden Bull Award Top 50 of Central State-owned Enterprises China Securities Journal and China Reform Holdings Corporation	Best Practices for ESG New Fortune	Outstanding Cases of ESG in Chinese Enterprises The China Enterprise Reform and Development Society ("CERDS") and China Comment	Outstanding ESG Practice Cases in the Real Estate Industry for 2024 China Times



HIGH-QUALITY DEVELOPMENT INITIATIVE: QUALITY HOMES CURATING QUALITY LIFESTYLE

In recent years, China's real estate industry has undergone profound changes, with both policy orientation and market demand driving the industry towards high-quality development and transformation. In 2023, at the National Housing and Urban-Rural Development Work Conference, the development concept of "building quality homes" was proposed for the first time, guiding the industry to move away from extensive scale expansion and embark on a new journey of quality refinement. In 2024, the policy aimed at ensuring that overdue housing projects are completed and delivered (the "ensuring housing delivery" policy) continued to deepen, with various ministries and commissions working together to inject strong momentum into the enhancement of delivery capabilities for real estate companies. By 2025, the government work report of the State Council of the People's Republic of China further clarified the need to build quality homes that are safe, comfortable, eco-friendly, and smart, establishing clear coordinates for the industry's high-quality development.

Poly Developments and Holdings bears the mission of the times, always making the service of national strategy and the satisfaction of people's needs for a better life its core pursuit. The Company has constructed a "Tree of Development" business management system, continuously deepening the "Poly Delivery" system, establishing a customer-centric, end-to-end ecosystem encompassing design, supply chain, construction and post-delivery services, fully upgrading from "delivering products" to "delivering life." Responding to the development needs of the times with the "Three Better and Five Strengths" product strategy, it concretises "quality homes" into "Better Products, Better Services, and Better Life."



POLY DELIVERY: FORGING A FULL-CYCLE DELIVERY CONTROL SYSTEM

In 2024, the Company took the lead in proposing the "Poly Delivery" initiative, transforming the political mandate of "ensuring housing delivery" into a market-competitive "premium delivery standard." The delivery capability of "Poly Delivery" is an organic integration of product strength, service strength, and support, delivering not just a house but a lifestyle. Through systematic delivery management, Poly Developments and Holdings fully understands the key needs of customers at each stage, ensuring that every step from design to delivery starts from customer needs, achieving an upgrade from "delivering products" to "delivering life".

Phases	Design	Waiting	Delivery
Concept	Creating Healthy Living	Humanistic Care and Comprehensive Accompaniment	Stringent Standards and Perfect Experience
Customer Needs	Meeting diverse pursuits of living quality	- Timely progress updates - Open communication - Service experience	- House quality assurance - Professional and efficient delivery process - Rapid response to after-sales issues
Management Priorities of "Poly Delivery"	- Real scene presentation - Optimised spatial planning - Application of green building technology - Attention to detail	- Transparency in project progress - Visualised quality control	- Completion and delivery risk prevention - Quality assurance and assessment - Addressing customer demands directly
Highlight Initiatives	- On-site show flat display - VR-powered virtual property tour	- Full-process service provided by Certified WeCom Customer Ambassadors - National Customer Service Call Centre - Monthly Project Newsletter - Homeowner Site Open Day	"One Home, Five Inspections" standard "White Glove" property inspection "Executive Hotline" - Online delivery system

BENCHMARK: BUILDING QUALITY RESIDENTIAL HOMES, EMPOWERING URBAN DEVELOPMENT

Poly Developments and Holdings has established the "Tianyue Harmony" product series, driven by deep insights into the needs of residents, making quality a tangible living experience. In 2024, under the guidance of the "Poly Delivery" philosophy, Poly Developments and Holdings delivered numerous exemplary projects through concrete actions. These projects not only provided ideal living spaces for homeowners, but also served as leading models within the industry.

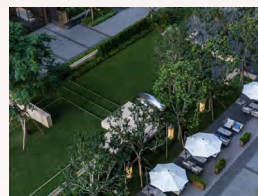


Poly Tianhui, Foshan: Creating Healthy Living Spaces and Redefining Quality Delivery

As a benchmark project for "high-quality delivery" under Poly Developments and Holdings, Poly Tianhui in Foshan has fully embraced the "Poly Delivery" philosophy from design through to delivery. Through refined full-cycle management, the project has delivered an ideal living space to its residents. In 2024, the project was successfully delivered, with a series of innovative practices setting new benchmarks for quality delivery across the industry.

Design phase

In terms of functionality, Poly Tianhui in Foshan adopts a layout based on the concept of "One Plaza, Two Halls, Three Centres, and Four Functional Routes". This includes a vibrant community plaza, a business hall and community hall, and three major service centres: the property management centre, maintenance centre, and fire monitoring centre. These are supported by four functional routes—safety, transportation, leisure, and logistics—creating a comprehensive lifestyle setting with a hotel-style resort landscape experience. Thanks to its outstanding performance across key health dimensions—air, water, lighting, nutrition, and fitness—the project obtained the WELL Mid-Review Certification, providing residents with a healthy living environment that meets international standards.



Real Scene of Poly Tianhui's Urban Green Valley



A Star-rated Sunlit Garage Innovatively Developed with Natural Lighting and Ventilation, Ensuring Brightness, Air Flow, Safety, and Convenience

Waiting phase

The project has implemented the "3-30-30" delivery guarantee mechanism, which includes starting "confirmation" work three months before delivery, holding an open day for owners and concurrently transferring property certificates 30 days in advance, and achieving property services in place 30 days in advance for full takeover of public areas. During the owner's open day activity, the project team and owners conducted joint acceptance, establishing a feedback loop mechanism for collecting, responding to, and addressing opinions. Service scenarios are built around five dimensions—safety, convenience, comfort, community, and renewal—and, equipped with six major hardware items, including AED emergency equipment, allow owners to experience future living quality in advance..



On-site Inspection on Open Day at the Construction Site



Monthly Disclosure of Project Progress through the "Monthly Project Newsletter"

Delivery phase

The project strictly follows Poly Developments and Holdings' joint acceptance standard of "One Home, Five Inspections", pioneering the "520" quality standard system (≤5 issues in public areas, ≤2 issues within each unit, 0 defect delivery goal). Through the dual guarantee mechanism of "White Glove Inspection + Engineer Explanation," customers strictly inspect delivery details while ensuring a 100% rectification rate for subsequent issues. A "multi-to-one" escorted delivery model, where sales and customer service staff accompany each homeowner throughout the process. Combined with Poly Developments and Holdings' online delivery system, this creates a seamless, one-stop service experience covering inspection, contract signing, and final delivery.



"One Home, Five Inspections" Comprehensive Delivery with Joint Acceptance, Supported by a Professional Team Throughout the Entire Process



On-site One-stop Service by "Inspectors, Customer Service, Property Managers, Sales, and Engineers", Ensuring High-standard Reception and Streamlined Delivery Procedures

Through a series of innovative practices and concrete actions, Poly Tianhui embodies the philosophy of "Poly Delivery". By demonstrating that delivery capability defines product excellence, the project serves as a model for advancing high-quality development within the real estate industry.



Poly Tianjun Changzhou: Infused with Culture, Redefining the Delivery Experience

As the first "Tian-series" project by Poly Developments and Holdings in Changzhou, Poly Tianjun Changzhou is driven by the dual pillars of "culture and quality". The project fully adopts the "Poly Delivery" philosophy across the entire process from design to delivery, establishing itself as a high-end residential model that integrates the essence of Changzhou's culture.

Design phase

Situated in the cultural heart of Changzhou, the project embraces the design concept of "inheriting Changzhou's culture and integrating Changzhou's spirit". It skilfully merges the city's park-style urban character with the historical depth of Chinese dragon culture, achieving a harmonious integration between the community and the urban space. Signature features such as a cascading forest landscape and a dragon-themed playground offer residents an immersive living experience rich in regional cultural identity.



Artistry and Quality of the Garden
Reflected by the Cascading Forest
Landscape



Dragon-Themed Playground,
Creating a Distinctive, Dream-like
Setting for Children

Waiting phase

Six months prior to delivery, the project launched a customer survey to gain deep insights into residents' demands and expectations for their future homes. Three months before delivery, a site open day was held, inviting homeowners to observe construction progress and craftsmanship details, thereby enhancing project transparency. Two months before delivery, a homeowner engagement session was organised, featuring guided tours, unit measurements, and design previews, allowing homeowners to experience the care embedded in every service detail.



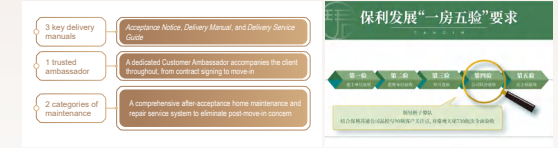
Site Open Day



Homeowner Engagement Session

Delivery phase

The project strictly adhered to Poly Developments and Holdings' "One Home, Five Inspections" delivery standards. One month before delivery, 730 batches underwent comprehensive inspections covering 90 key customer focus areas to ensure the quality of delivery. In addition, the Poly Tianjun Changzhou 312 Delivery Guide was introduced, optimising the entire one-stop delivery process—from inspection to contract signing and delivery—ensuring a smooth and reassuring experience for every homeowner.



312 Delivery Guide and "One Home, Five Inspections" Delivery Standards

On the foundation of achieving 100% on-time delivery, Poly Tianjun Changzhou pioneered a dual model of "culture + quality", attaining a 100% property delivery attendance rate and a 98% customer satisfaction score—setting an industry benchmark for communities rich in cultural heritage and superior quality. This project provides a replicable example of innovative delivery practices.

In 2024, Poly Developments and Holdings delivered over 165,000 residential units with high quality, embodying the commitment of a central SOE to "ensuring housing delivery and stabilising livelihoods". Amidst industry adjustments, the Company prioritised the protection of homebuyers' rights and helped rebuild market confidence and secured social stability. It further promoted the industry's shift from "high turnover" to "high quality", aiming to set benchmarks and drive high-quality transformation and upgrading of the industry.

165,000



Over 165,000 residential units
were delivered with high quality

22



22 projects were recognised as
municipal-level or above demonstration
(observation) construction sites

15



15 projects were recognised as
safe and civilised demonstration
(observation) construction sites

ENVIRONMENTAL



Response to Topics in the SSE Guidelines

- Climate Change Tackling
- Circular Economy
- Energy Usage
- Usage of Water Resources
- Waste Disposal
- Ecosystem and Biodiversity Protection
- Pollutant Discharge
- Environmental Compliance Management

Relevant GRIs

2-25, 201-2, 301-1, 301-2, 301-3, 302-4, 302-5, 303-1, 303-2, 304-1, 304-2, 304-3, 304-4, 305-5, 306-1, 306-2, 306-3



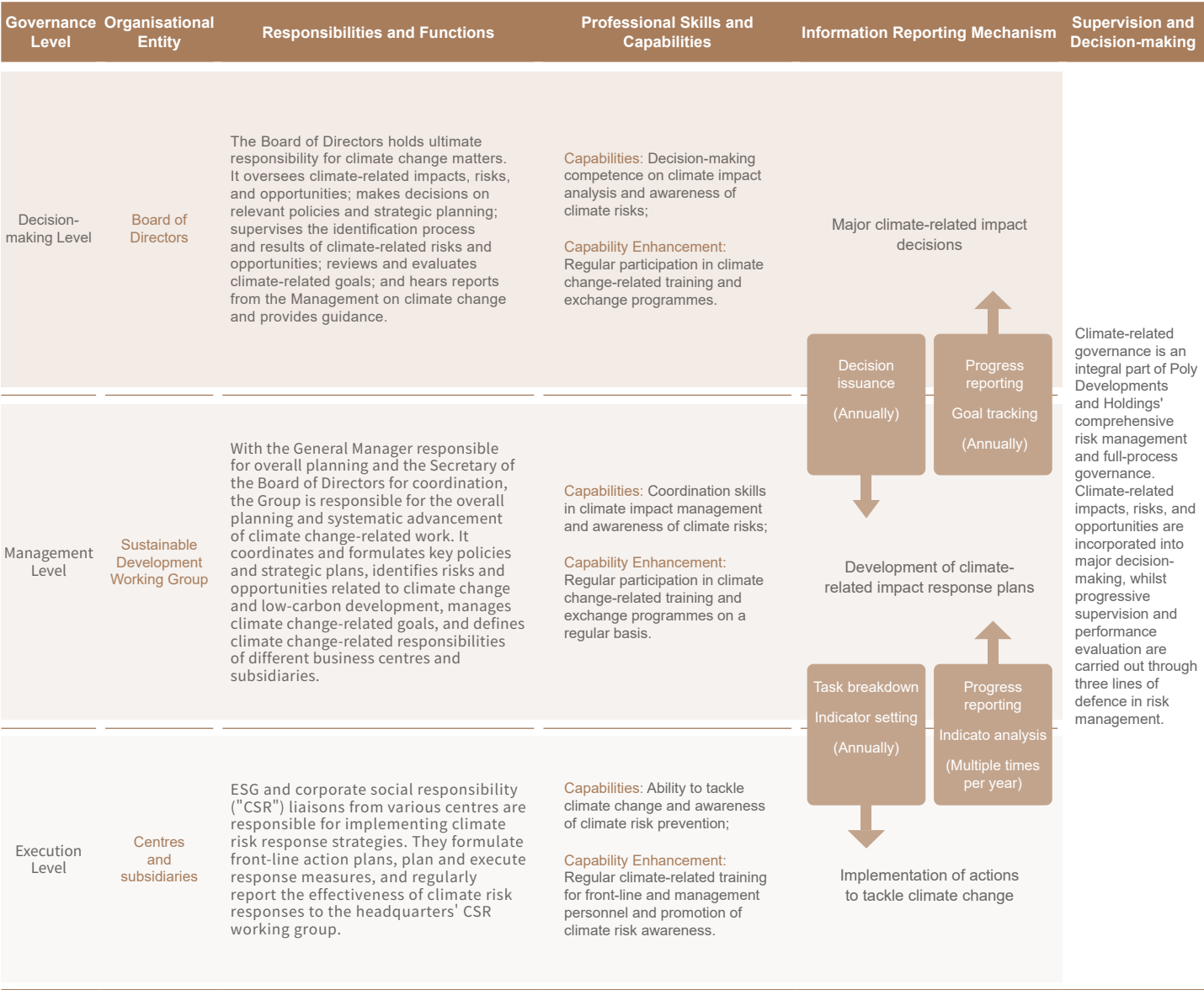
CLIMATE CHANGE TACKLING

Climate change management

The Company implements active climate change tackling, identifying the physical and transition risks posed by climate change, integrating climate risk management into the Company's overall risk management, advocating for green production and operations, and seizing the developmental opportunities presented by climate change.

Governance

Poly Developments and Holdings continuously strengthens the Board of Directors' and Management's responsibility and involvement in climate-related risks, gradually forming a governance structure for climate change that includes the Board of Directors, a Sustainable Development Working Group, various centres, and subsidiaries, effectively promoting climate-related risk management.



Strategy

Major climate-related impacts

The business operations of Poly Developments and Holdings continuously generate tangible impacts on the external environment. Based on the context of the Company's activities and business relationships, the Company analyses the nature of climate-related impacts and assesses and confirms their materiality as follows:

Business Activity	Climate-related Manifestation	Impact on Economy, Environment, and Society	Stakeholder	Materiality	Improvement Actions
Construction and development	Excessive land development	Destroy ecosystems, leading to biodiversity loss	Local communities and ecosystems	Material	Implement ecological protection measures to ensure that development projects are outside the ecological protection red line
	Use of high-carbon materials during construction	Increase greenhouse gas ("GHG") emissions and exacerbate lifecycle carbon footprint of buildings	Environment and customers	Material	Introduce energy-saving equipment, accelerate construction timelines, and apply lean management practices
Project design	Designs not adapted to climate conditions	Result in poor climate resilience of buildings and higher maintenance costs	Customers and government	Material	Develop and standardise climate-adaptive design principles and optimise resource use
Property management	Long-term energy consumption	Increase pressure on electricity supply and result in higher power usage	Residents and government	Material	Adopt energy-saving technologies and implement renewable energy capitalised renovation
Asset operation	High carbon footprint of buildings	Affect tenants' carbon emission performance and reduce overall asset value	Investors and customers	Material	Introduce energy efficiency technologies and carry out building energy conservation transformation
Industry investment	High-carbon emitting companies within the investment portfolio	Misalignment between the investment focus and policy trends and industrial transition focus, increasing policy compliance risks and resistance to transition	Invested companies	Minor	Organise the investment portfolio structure to avoid investing in high-carbon emitting enterprises as much as possible

Assessment of climate-related risks and opportunities

Poly Developments and Holdings recognises the profound impact that various climate change-related risks and opportunities have on its business. In accordance with the recommendations of *IFRS Sustainability Disclosure Standard—Climate-related Disclosures (IFRS S2)* issued by the International Sustainability Standards Board ("ISSB"), as well as the Guidelines, the Company has conducted assessments of climate change-related risks and opportunities over the short-, medium-, and long-term horizons.

Definition of Short-, Medium-, and Long-term Horizons		Alignment with Strategic Decision-making
Short-term	2024-2025	The short-, medium-, and long-term horizons adopted by Poly Developments and Holdings are aligned with the national 14 th and 15 th Five-Year Plans, as well as Poly Developments and Holdings' own 14 th and 15 th Five-Year plans. Poly Developments and Holdings will advance its sustainability initiatives in full alignment with the timeframes and goals outlined in its five-year business strategy.
Medium-term	2025-2030	
Long-term	2030-2060	

To assess its climate resilience, Poly Developments and Holdings has conducted a climate scenario analysis based on the methodologies and assumptions recommended by the Intergovernmental Panel on Climate Change ("IPCC"). The preliminary climate scenarios selected are as follows:

Scenario Name	Specific Description	Impacts Involved
IPCC-RCP4.5	Assume CO ₂ emissions begin to decline around 2045 and fall to approximately half of the level in 2050 by 2100. This scenario is expected to lead to a global temperature rise of 2°C to 3°C.	Physical risks, transition risks, and climate opportunities are analysed under the two scenarios
IPCC-RCP8.5	Assume no major new policies are introduced; economic growth and technological progress continue to rely heavily on fossil fuels. This scenario is expected to lead to a global temperature rise of 4°C by 2100.	

Climate Risk	Timeframe	Impact on Business Model and Value Chain	Impact on Strategic Decision-making	Current Financial Impact ¹	Climate Resilience	Climate Transition Plan
Transition Risk	Policy and legal risks	Upstream: Real estate development suppliers are subject to increasingly stringent regulatory requirements from government and environmental authorities regarding low-carbon compliance. Operations: The Company's real estate development business is affected by regulations related to land acquisition, construction permits, and environmental laws and regulations.	During its strategic adjustment, Poly Developments and Holdings faces increased compliance costs due to tightening climate change policies, which directly impact operations. It also faces risks of penalties or permit delays if projects fail to meet updated environmental standards.	As carbon neutrality goals progress and environmental regulations tighten, the Company may need to make additional investments in low-carbon technologies and environmental improvement, increasing operating costs. Failure to implement response measures could lead to penalties, directly affecting profit margins and cash flow.	Strong capability in policy tracking and adjustment, with sufficient resources to respond to tightening climate change regulations.	Strengthen the policy research team to anticipate potential regulatory changes in advance; develop flexible business adjustment and regulatory adaptation plans to ensure smooth transitions as regulations tighten; and enhance internal training on compliance with laws, regulations, and regulatory requirements related to climate change, the environment, and low-carbon development.
	Technology risks	Upstream: Green building technology requirements for suppliers in the real estate development segment are increasing. Operations: There is a growing trend across business units towards green design, construction, and renovation.	During its strategic adjustment, Poly Developments and Holdings faces the risk of rapid development of green technologies. If it does not accelerate technological innovation, it may fall behind industry trends, affecting competitiveness. Meanwhile, the difficulty of increasing investment in clean energy and energy-saving technologies continues to grow.	The development of new energy-saving or low-energy building systems may lead to higher upfront R&D costs. Failure to keep pace may result in market rejection or inability to meet land acquisition requirements, affecting revenue and profit, and reducing access to government subsidies.	With a certain level of technical reserves and access to resources related to green and ultra-low energy building technologies.	Support R&D of clean energy and energy-saving technologies; collaborate with technology enterprises to explore emerging applications. For example, Poly Developments and Holdings has invested in Shenzhen DLZ Building Technology Co., Ltd. to help enhance prefabricated building performance.
	Market risks	Operations: The less proven application of green technologies or delayed climate response may result in market rejection or customer attrition.	During its strategic adjustment, if Poly Developments and Holdings fails to respond sensitively to market attitudes towards climate change, it may experience reduced investment returns or poor performance, affecting customer and investor confidence.	If Poly Developments and Holdings is perceived as underperforming in climate response, it may face a decline in product sales and rental income, leading to weak performance and reduced confidence among customers and investors.	A relatively sound market tracking mechanism already in place to gradually improve Poly Developments and Holdings' climate change performance.	Actively disclose climate-related information in accordance with regulatory requirements on a regular basis; collaborate with environmental organisations to carry out climate and environmental protection activities.

¹Reason for not disclosing quantitative financial impacts: The financial account items related to climate change have not been comprehensively organised.

Climate Risk	Timeframe	Impact on Business Model and Value Chain	Impact on Strategic Decision-making	Current Financial Impact ¹	Climate Resilience	Climate Transition Plan
Physical Risk	Acute risk	Tropical cyclones	During its strategic adjustment, Poly Developments and Holdings faces the risk of tropical cyclones affecting the construction and operation of multiple projects, raising the bar for disaster prevention across developments. Higher construction standards are required to minimise natural disaster-related loss.	Work stoppages, elevated disaster prevention standards, and equipment or facility damage caused by tropical cyclones may impact revenue recognition due to delayed deliveries, trigger asset impairments at the project level, increase costs, and disrupt cash flow stability. Reduced customer traffic to sales offices or commercial properties during storms may lower revenue.	Tropical cyclone emergency response plans already in place, with sufficient resources allocated to manage tropical cyclone-related emergencies.	Establish early-warning mechanisms and emergency response plans for projects under management in coastal regions, and enhance emergency drills and insurance coverage.
		Short-term				
	Fluvial flooding	Medium-term				
		Short-term	Upstream: Flooding may impact upstream suppliers in construction and development, potentially disrupting the timely delivery of raw materials. Operations: River-adjacent projects may suffer from flooding and river intrusion, causing construction halts and equipment damage. Emergency pressure on property management also increases.	During its strategic adjustment, Poly Developments and Holdings faces risks of reduced safety and stability of projects under development or in operations caused by riverine flooding. This also affects site selection strategy, requiring the avoidance of high flood-risk zones for future developments.	Riverine flooding may compromise project safety and increase the workload of preliminary assessments and feasibility studies, potentially leading to asset impairment and higher operating costs.	Flood response plans already in place to quickly address riverine flooding emergencies, with sufficient resources to manage riverine flood impacts.
Chronic risk	Temperature change	Medium-term	During its strategic adjustment, Poly Developments and Holdings faces the risk that extreme temperatures may affect all aspects of development and operations. This includes stricter requirements for construction materials, increased complexity in project construction, the necessity of adopting more prudent approaches during standard setting, decreased resident comfort, and associated pain points and management risks.	Extreme temperatures may lower the quality of construction materials, increase labour costs and project construction complexity, and reduce resident comfort—potentially increasing procurement, labour, and management costs, and negatively impacting overall revenue.	Evaluation mechanisms for component durability and other properties already in place; detailed construction plans and high-temperature management measures already established, with external resources garnered to help mitigate extreme-temperature-related risks.	Optimise building design and adopt thermal control; provide employees with guidelines and protective equipment for heat and cold; require contractors to manage extreme temperature risks on construction sites.
		Long-term				
	Changes in rainfall trends	Short-term	During its strategic adjustment, Poly Developments and Holdings faces risks associated with changes in rainfall trends. In order to ensure the timely and proper delivery of "quality homes," more rainfall control and drainage management measures are required to prevent project halts and secondary risks such as traffic disruption or raw material price volatility.	Increasing variability and uncertainty in annual rainfall trends affect construction timelines, raise operating costs, and lead to unstable cash flow.	Drainage systems and flood protection designs already established in accordance with laws and regulations; sponge city technologies already introduced, along with external resources garnered to enhance safety and stability.	Improve internal drainage design, reserve sufficient design capacity, advance sponge city development, conduct flood control drills, and urge contractors to control rainfall risks at construction sites.
		Medium-term				
		Long-term				

Climate Opportunity		Timeframe	Impact on Business Model and Value Chain	Impact on Strategic Decision-making	Current Financial Impact ¹	Climate Resilience	Climate Transition Plan
Climate-related Opportunities	Green buildings and climate-adaptive infrastructure construction	Short-term Medium-term Long-term	The advantages of Poly Developments and Holdings as a central SOE are leveraged to promote green transformation in product and construction processes.	During its strategic adjustment, Poly Developments and Holdings strictly monitors and manages data for green buildings and ultra-low energy consumption building projects.	Products such as green and low-energy consumption buildings are better aligned with market demands, with related revenue expected to increase.	Promote pilot projects for ultra-low energy buildings and climate-adaptive technologies, along with integration of related technologies.	Actively advance ultra-low energy building and climate-adaptive infrastructure projects, and formulate dedicated plans.
	Energy transition and clean energy project investment	Medium-term Long-term	Integration of buildings with clean energy is promoted, and the feasibility of applying renewable energy is considered and explored.	Poly Developments and Holdings pilots clean energy usage, photovoltaics-energy storage-charging integration, and centralised green power procurement across multiple projects, and analyses ROI and energy consumption indicators of pilot projects.	Poly Developments and Holdings has considered investments in energy-saving materials, technologies, and smart home-related sectors, which is expected to improve both investment scale and return.	Pursue long-term application and pilot programmes for clean energy; promote the integration of clean energy technologies.	Actively invest in renewable energy projects; cooperate with energy tech firms to develop building-related energy management and storage products; promote the market-oriented development of building energy products.
	Green finance and sustainable development investment	Short-term Long-term	Green and ultra-low energy building projects expand Poly Developments and Holdings' access to low-cost financing via green bonds and loans.	Poly Developments and Holdings has conducted feasibility studies on green bonds and financing and plans to pilot green financing in selected flagship projects.	Green financing helps reduce financing costs and improve cash flow stability.	Deepen feasibility studies on green bonds and financing, and integrate green financing channels.	Enhance ESG disclosure quality; strengthen investor confidence in the Company's green strategy; develop high-quality green underlying assets; expand financing channels to support the Company's environmental and sustainable development projects.



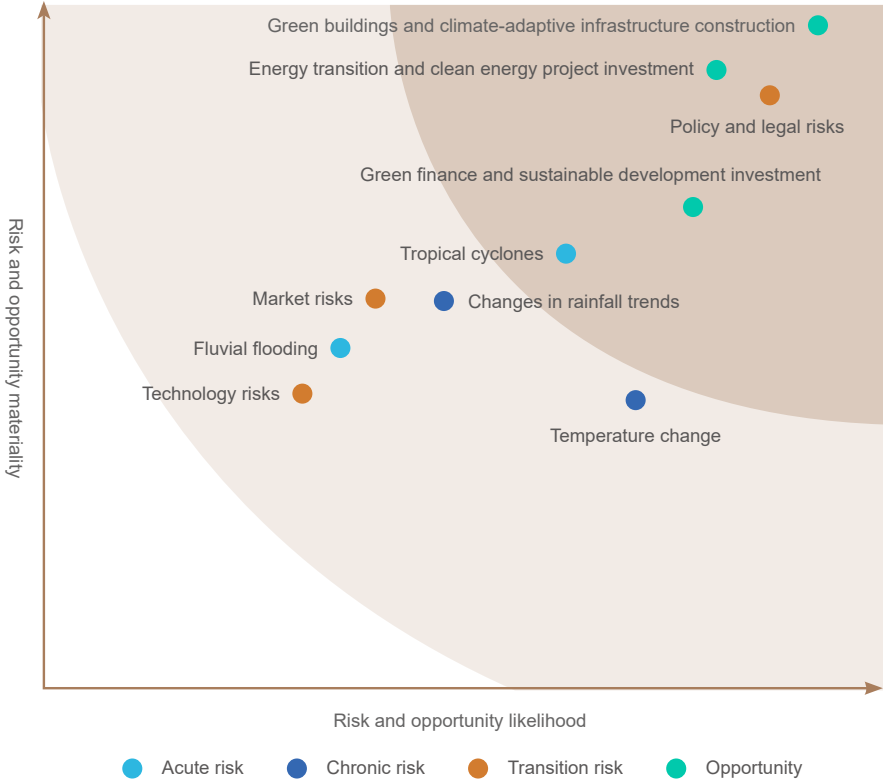
Impacts, risks, and opportunities management

Poly Developments and Holdings adopts a centralised and comprehensive approach to assessing climate-related risks and opportunities. Final evaluation results are determined through assessments of the likelihood and impact of risks and opportunities. Climate risk and opportunity management are fully embedded within Poly Developments and Holdings' comprehensive risk management strategy. For further details, please refer to the subsection "Risk Management and Internal Control."

Prioritisation of climate-related impacts, risks and opportunities

Poly Developments and Holdings has conducted likelihood and impact analyses on the three major transition risks, four key physical risks, and three climate opportunities outlined above. The specific results of the risk assessment are as follows:

Ranking	Materiality	Category	Risk
1	High	Opportunity	Green buildings and climate-adaptive infrastructure construction
2		Transition risk	Policy and legal risks
3		Opportunity	Energy transition and clean energy project investment
4		Opportunity	Green finance and sustainable development investment
5		Acute risk	Tropical cyclones
6	Moderate	Chronic risk	Temperature change
7		Chronic risk	Changes in rainfall trends
8		Transition risk	Market risks
9		Acute risk	Fluvial flooding
10		Transition risk	Technology risks



Indicators and targets

In 2024, Poly Developments and Holdings continued to enhance its climate and low-carbon performance, further improving the Company's capability of responding to and managing climate risks, in line with the national "dual-carbon" strategy. The Company tracked and managed indicators related to climate information, including energy efficiency, carbon emissions, and the use of renewable energy.

Metric	Unit	2024	2023	2022
Scope 1 GHG emissions	tCO ₂ e	10,862	7,983	1,195
Scope 2 GHG emissions	tCO ₂ e	557,541	487,248	12,280
Scope 3 GHG emissions	tCO ₂ e	5,589	/	/
Total of Scope 1 and Scope 2 GHG emissions	tCO ₂ e	568,403	495,231	13,475
Scope 1 and Scope 2 GHG emissions intensity	tCO ₂ e/million RMB	1.82	1.43	/

"Dual-carbon" strategy

Poly Developments and Holdings actively responds to China's "dual-carbon" policy and the "3060" target, deepens the "dual-carbon" strategy research, and embeds the low-carbon philosophy into its overall development. It promotes the setting of carbon emission targets and development of action plans and regularly reviews progress. Additionally, it develops a low-carbon construction system across the full life cycle of buildings and an Industry Chain of Low-carbon and Smart Living, contributing tangible actions to the achievement of national dual-carbon goals.

Real estate carbon emission management system

Poly Developments and Holdings has developed an innovative "Real Estate Carbon Emission Management Model," focusing on carbon emissions management across three key stages of the real estate development. It is estimated that, compared with traditional models, newly constructed buildings in 2024 could reduce carbon emissions by 7.5 to 8 million tonnes over a 50-year period.

Building materials production stage

Poly Developments and Holdings actively explores the application of new materials and processes within the building materials sector, selecting low-carbon materials and processes to reduce emissions arising from material use.

Construction stage

Poly Developments and Holdings emphasises the promotion and application of new technologies and management. Through the establishment of a digital twin management platform and AI-driven design empowerment, optimal implementation plans are identified to minimise inefficient space and material waste. A basement area control threshold has been introduced, reducing inefficient basement areas by 3–5%, thereby achieving a 2% emission reduction—equivalent to approximately 11,000 tonnes per year.

Operational stage

Focus is placed on smart operations, low-carbon building construction, and supply chain empowerment. Poly Developments and Holdings has developed the Integrated Energy Intelligent Management ("IEIM") to support intelligent control and utilised high-energy-efficiency equipment, low-energy consumption designs and management solutions. These initiatives are expected to reduce carbon emissions by approximately 21,000 tonnes annually.

Low-carbon operation philosophy

To effectively implement its "dual-carbon" strategy, Poly Developments and Holdings actively promotes pilot applications of low-carbon, zero-carbon, and negative-carbon technologies. Anchored in low-carbon operations and green product development, Poly Developments and Holdings actively advances ESG principles through innovation and technological empowerment—striving to deliver green, low-carbon "quality homes" for customers and the wider industry.

Case — Poly Developments and Holdings Signed a "Carbon Neutrality" Strategic Cooperation Agreement with China Beijing Green Exchange ("CBGEX")

To thoroughly implement Xi Jinping Thought on Ecological Civilization, fully leverage the exemplary role of Poly Developments and Holdings as a central SOE in green and low-carbon transformation, and actively practise the philosophy of low-carbon operations, Poly Developments and Holdings and the CBGEX jointly hosted the "Practising ESG Values of Central SOEs and Leading Green and Low-carbon Development" Carbon Neutrality Unveiling Ceremony and High-Quality Development Thematic Forum for Central SOEs on 12 March 2024 at Poly International Plaza, Beijing. The event explored key topics such as policy and standards development, and pathways for central SOEs to achieve green and sustainable growth under China's dual-carbon goals. During the forum, Poly Developments and Holdings and the CBGEX signed a strategic cooperation agreement on carbon neutrality.



Case — Beijing Subsidiary: Promoting Low-carbon Operation and Recognised with Consecutive Carbon Neutrality Certifications

Beijing Subsidiary of Poly Developments and Holdings actively responds to the national "dual-carbon" strategy and has collaborated with the CBGEX to carry out a three-year (2021-2023) operational carbon neutrality certification programme for its self-owned properties. Major projects such as Poly Metropolis and Poly International Plaza have received carbon neutrality certificates for three consecutive years. In 2024, Beijing Subsidiary fully achieved carbon neutrality across its self-owned commercial offices and apartments—marking Poly Developments and Holdings' complete carbon neutrality across all self-owned assets in Beijing.

Beijing Subsidiary has deeply embedded the low-carbon concept into full-cycle asset management. Through developing a full-chain management system encompassing equipment upgrades, dynamic control, and closed-loop coordination, it has significantly reduced operational carbon emissions and successfully secured carbon neutrality certification for its assets.

- Strengthening foundation through equipment upgrades:** A fundamental low-carbon operational architecture has been established through facilities enhancements. Intelligent motion-sensor switches and energy-efficient LED lighting have been widely installed and integrated with the building's lighting system. Powered by the building's automation system, time- and scenario-based lighting control is achieved. A pneumatic waste treatment system has replaced traditional equipment, reducing energy consumption in waste collection and transportation. HVAC units have been equipped with real-time temperature monitoring and upgraded with electric valve-based zoned control systems to improve distribution efficiency.
- Intelligent dynamic control:** Leveraging the Building Management System ("BMS"), dynamic management strategies are applied to HVAC units, with seasonal temperature thresholds ($\geq 26^{\circ}\text{C}$ in summer; $\leq 20^{\circ}\text{C}$ in winter) and regular cleaning and maintenance of piping networks to minimise energy loss. Time-based intelligent control of office equipment and domestic water pumps has been implemented, whilst a three-tier lighting scenario mode (weekday, weekend, and holiday) optimises energy use in public areas. As a model unit for waste sorting, Beijing Subsidiary has also promoted standardised recycling processes.
- Closed-loop collaboration for greater efficiency:** Regular energy-saving training has been provided for property management staff, embedding low-carbon awareness into daily operations through lean management standards. Tenants and customers are actively engaged with carbon neutrality concepts and encouraged to adopt low-carbon behaviours such as water and energy conservation and waste sorting. Through intelligent system-based carbon emissions management, operational strategies of equipment are continuously optimised, delivering a significant reduction in carbon emissions during the operation phase.



Carbon Neutrality Certificates of Poly Metropolis (2021–2023)



Carbon Neutrality Certificates of Poly Plaza (2022–2023; under Construction in 2022)

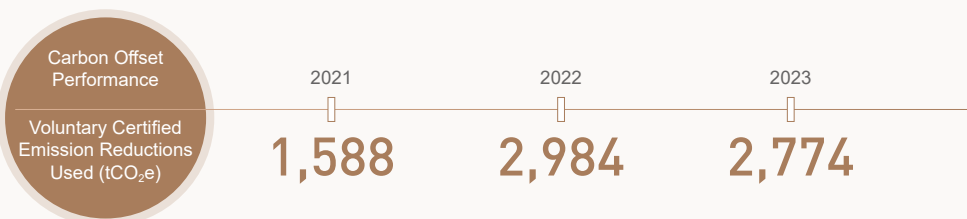
Carbon Neutrality Certificate of Shoukai Leshang (2023)



Carbon Neutrality Certificates of Poly International Plaza (2021–2023)



Carbon Neutrality Certificates of Peking One (2021–2023)



ECOLOGICAL AND ENVIRONMENTAL FRIENDLINESS

Environmental and ecological integration

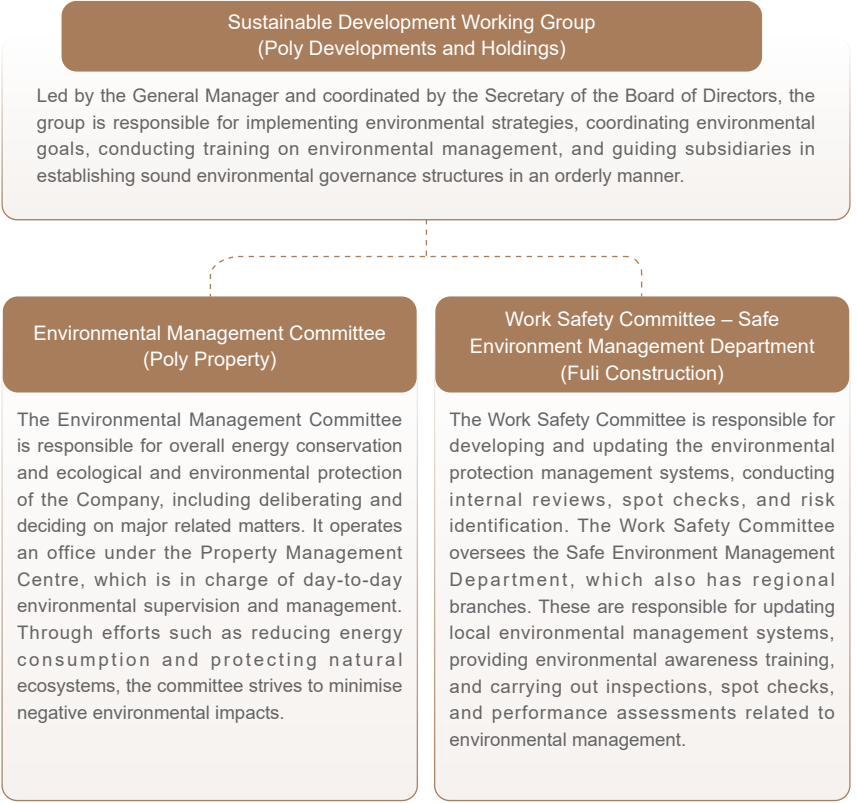
In the entire process of product design, development, construction, and operation, Poly Developments and Holdings is committed to the rational planning and utilisation of land and other natural resources, strictly adhering to environmental protection regulations and standards to ensure compliance in environmental management. It is committed to ecological restoration during project implementation to maintain ecological balance. At the same time, Poly Developments and Holdings formulates and implements biodiversity and ecosystem protection policies, promoting related public welfare projects to facilitate the conservation and restoration of biodiversity.

Indicators and targets

Goals for 2024	Progress Review	Goals for 2025
Continuously improve the environmental management system to ensure environmental compliance management and reduce the negative impact of operations on the environment.	Encouraged and urged multiple subsidiaries to establish environmental management frameworks, with six subsidiaries already awarded the ISO 14001 environmental management system certificate.	Continuously enhance the environmental management system, further implement environmental governance structures, and expand the acquisition of environmental management system certifications.
Promote ecosystem restoration and strengthen cooperation with relevant government authorities, social organisations, and scientific research institutions to jointly advance biodiversity protection efforts.	Developed commitments to avoing greenfield development and protecting biodiversity; continued ecological protection initiatives. Poly Cultural Tourism has continuously advanced biodiversity assessments and carried out biodiversity protection within project sites.	Continuously promote ecosystem restoration and drive biodiversity protection efforts.

Environmental management system

Poly Developments and Holdings consistently prioritises the establishment of environmental management systems across all stages of its business operations. The Sustainable Development Working Group—led by the General Manager and coordinated by the Secretary of the Board of Directors—is responsible for overseeing the development of its environmental governance structure. Relevant subsidiaries are encouraged and urged to establish effective governance architectures tailored to their specific environmental risk areas and environmental management status.



Under a relatively well-established environmental governance structure, Poly Developments and Holdings actively promotes the development of its environmental management system. Guided by the ISO 14001 environmental management system, it has established corresponding institutional structures and management mechanisms. Relevant subsidiaries are encouraged to obtain ISO 14001 environmental management system certificate. During the Reporting Period, subsidiaries including Poly Property, Fuli Construction, Poly Commerce & Tourism Development, Zhonggong Architectural Design Institute, Poly Events, and Poly Health all held valid ISO 14001 environmental management system certificates and conducted regular internal and external audits in accordance with the system's requirements.



Poly Property's ISO 14001 Certificate



Fuli Construction's ISO 14001 Certificate



Poly Commerce & Tourism Development's ISO 14001 Certificate



Zhonggong Architectural Design Institute's ISO 14001 Certificate



Poly Events' ISO 14001 Certificate



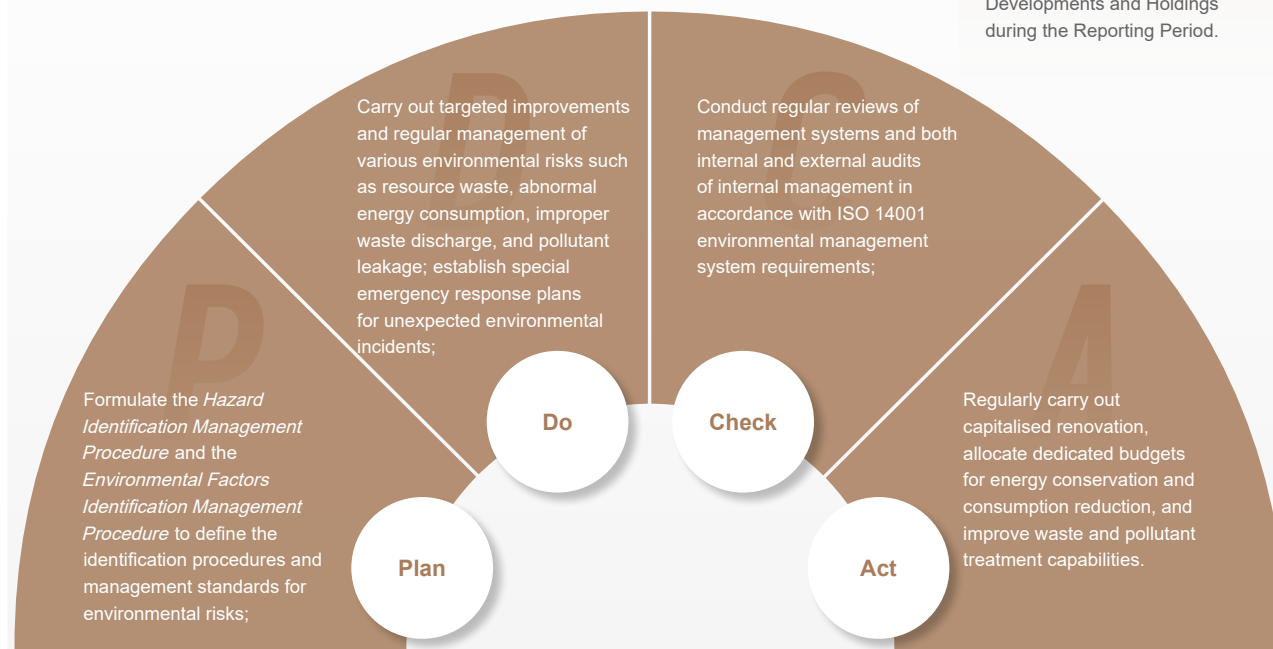
Poly Health's ISO 14001 Certificate

Poly Developments and Holdings actively engages in environmental impact and risk management. It applies the PDCA (Plan–Do–Check–Act) cycle to identify, assess, and respond to environmental risks.

Data highlights



No major environmental violations were identified by Poly Developments and Holdings during the Reporting Period.



Ecosystem and biodiversity protection

Poly Developments and Holdings strictly complies with national laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Law of the People's Republic of China on Prevention and Control of Water Pollution*. With reference to the United Nations' *Convention on Biological Diversity* and the *Kunming-Montreal Global Biodiversity Framework*, Poly Developments and Holdings actively advances the protection of ecosystems and biodiversity, maintaining a balance between urban development and environmental conservation.

The Board of Directors holds ultimate responsibility for the impact of Poly Developments and Holdings' business activities on external ecosystems and biodiversity. It actively supervises centres and subsidiaries to ensure that business operations do not cause significant adverse environmental impacts, and promotes harmonious coexistence between real estate development and nature.



Poly Developments and Holdings' Commitment to Avoiding Greenfield Development

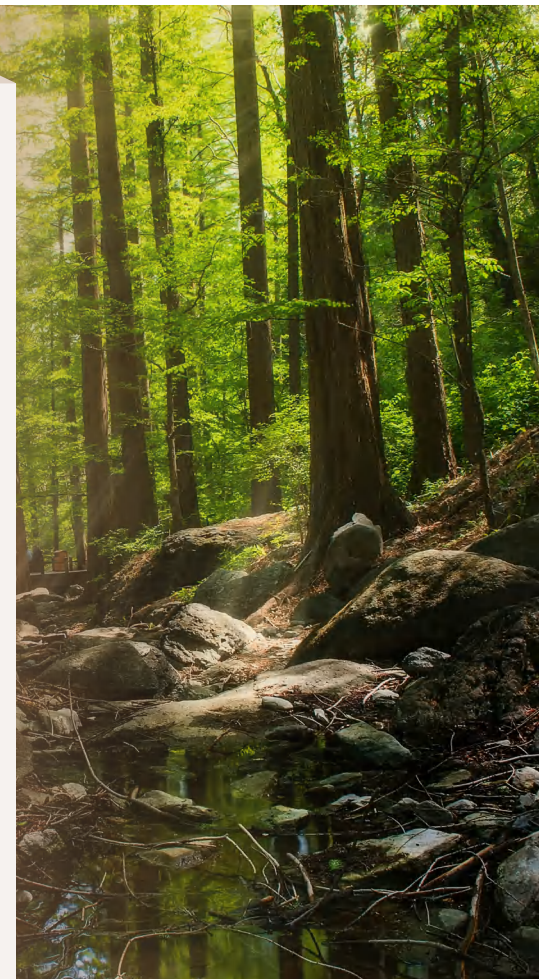
Poly Developments and Holdings follows the requirements for land planning, is committed to avoiding greenfield development, fully respecting nature and protecting ecology, planning scientifically and laying out projects reasonably to minimise the ecological and environmental impact of business development and operations. Projects proceed with development and construction only after obtaining environmental impact assessment reports in accordance with laws and regulations, and must meet green building standards. At the same time, Poly Developments and Holdings has established a sound supervisory mechanism for ecological and environmental protection to ensure that the concept of green development is embedded throughout the entire process of project development and operation.

Poly Developments and Holdings' Biodiversity protection Commitment

Poly Developments and Holdings commits to appropriately considering biodiversity factors in its real estate investment and development, integrated services, and other business operations.

The Company pledges to undertake the following biodiversity protection actions:

- ① Fully consider biodiversity factors during the project site selection, planning, design, and construction stages, encouraging the inclusion of biodiversity assessments during environmental impact evaluations;
- ② Minimise the disruption and damage caused by business activities to the natural environment as much as possible and adopt measures such as ecological buffers to protect biodiversity and maintain ecological balance;
- ③ Actively promote green buildings and ecological housing concepts, enhancing the ecological and environmental quality of project areas through green landscape design;
- ④ Enhance biodiversity protection awareness among employees, customers, and partners through cultural dissemination and training;
- ⑤ Initiate biodiversity-related cultural and public welfare activities to raise public awareness and participation in biodiversity protection;
- ⑥ Promote ecosystem restoration and strengthen cooperation with relevant government authorities, social organisations, and scientific research institutions to jointly advance biodiversity protection efforts.



Case — Biodiversity Protection Assessment by Poly Cultural Tourism

Poly Cultural Tourism actively conducts full-process biodiversity management for ecological projects. It performs multi-level assessments on species diversity, ecosystem diversity, and community structure of projects. The specific assessments include:

Biodiversity within the project area

Assess all species and ecosystem diversity within the project redline.

Assess direct and indirect impacts on surrounding biodiversity, such as landscape change and disruption of ecological corridors.

Biodiversity in surrounding areas

Ecosystem service functions

Analyse the impact of project operations on ecosystem service functions such as soil and water conservation and leisure tourism.

Ensure the projects comply with national and local biodiversity protection policies and regulations, and adhere to relevant plans and standards.

Biodiversity policies and regulations



Lawn Areas of Poly Cultural Tourism's Projects Provide Habitats for Wildlife and Promote Biodiversity Integration

Based on the above assessments, Poly Cultural Tourism formulates targeted biodiversity protection measures. The PDCA cycle is followed to continuously enhance biodiversity performance and promote inclusion and harmony with ecosystems.

Plan

Based on biodiversity assessment results, key indicators are organised and broken down, and corresponding regular measures and special plans are formulated;

Do

Sustainable resource use has been actively promoted:

- Water resource management: Regulate irrigation for lawns and landscaping to improve water use efficiency.
- Use of organic fertilisers: Reduce the use of chemical fertilisers and pesticides; promote organic fertilisers and biological pest control techniques.
- Lawn management optimisation: Manage lawn growth cycles scientifically to maintain healthy lawns while reducing resource consumption.

Check

Monitoring, early warning, and risk management are implemented:

- Establish an ecological monitoring system: Regularly monitor vegetation, soil, water bodies, and wildlife on site to assess ecological health.
- Pest and disease early warning: Monitor the health of lawns and plants to detect and control pest and disease outbreaks in a timely manner.

Act

Acquisition and benefit sharing: Cooperate with local communities to share experience and technologies in ecological protection and sustainable resource use; engage communities in ecological protection and environmental improvement, thereby enhancing local support and participation in ecological protection.

Brownfield management

Poly Developments and Holdings actively participates in brownfield management. By maintaining continuous and thorough communication with the government and relevant pollution control entities, it is committed to the redevelopment of contaminated land and industrial land lots and incorporation of green and ecological concepts to restore the land's environmental value.

» Case — Poly Yanyu Tangyue: Brownfield Transformation of Dong Fang Hong Printing Factory

Poly Developments and Holdings continuously develops the Poly Yanyu Tangyue project, located on the land originally owned by the Dong Fang Hong Printing Factory. Originally zoned for industrial use, the site has undergone proactive soil remediation by Poly Developments and Holdings prior to redevelopment, eliminating potential environmental pollution risks and enhancing the green value of the land redevelopment.

Soil Remediation Plan

- ✓ **Soil contamination assessment:** A comprehensive assessment of soil and groundwater quality was conducted to identify the types and extent of contamination;
- ✓ **Remediation target setting:** Based on the assessment results, specific remediation targets and environmental standards were established;
- ✓ **Remediation technique selection:** Appropriate soil remediation techniques were selected, including bioremediation, chemical oxidation, and soil replacement;
- ✓ **Remediation implementation and monitoring:** The remediation was carried out in strict accordance with the approved plan, with rigorous environmental monitoring to ensure both effectiveness and safety of the remediation;
- ✓ **Post-remediation management and monitoring:** After remediation completion, long-term monitoring of soil and environmental quality was conducted to ensure soil quality continuously meets applicable standards.

After comprehensive treatment and remediation were 100% completed and the soil environment met relevant quality standards, Poly Developments and Holdings proceeded with land redevelopment. Upon completion, the Poly Yanyu Tangyue project is set to enhance the land's value and offer a healthy, liveable environment for nearby residents.



Rendering of Poly Yanyu Tangyue

Green finance

In the field of green finance, Poly Developments and Holdings actively explores and applies various innovative financial instruments to support the development of green projects and promote eco-friendly business practises. These efforts not only enhance the Company's financial performance but also advance its sustainable development.

Since issuing its first green bond in 2022, Poly Developments and Holdings has raised a total of RMB4.1 billion in green financing as of the end of 2024.

In 2024, Poly Developments and Holdings issued its fifth tranche of green medium-term notes, raising RMB600 million in total.



Prospectus for the Fifth Tranche of Green Medium-term Notes

Fifth tranche of green medium-term notes

Issue amount	RMB600 million
Issue date	20 June 2024 to 21 June 2024
Value date	24 June 2024



Green leasing

Poly Developments and Holdings places great emphasis on green collaboration and integration with stakeholders. Through close cooperation between property managers and tenants, Poly Developments and Holdings actively explores and implements more diversified green leasing models to improve resource efficiency, reduce carbon emissions, and implement environmental protection measures.

Whole-process management of green leasing



Apartment Services Sector

- In 2024, Poly Apartment focused on water conservation. On the one hand, it actively promoted retrofitting of water fixtures in apartments, replacing showerheads, toilets, and other fittings with water-saving models, reducing water waste whilst maintaining user comfort. On the other hand, traditional water meters were replaced with remote transmission meters, enabling remote meter reading and water usage monitoring by management personnel, thus improving refined water use management.

Commercial and Hotel Services Sector

- All Poly Commerce & Tourism Development's leasing contracts include green clauses, requiring tenants to assume environmental responsibility for water and electricity use, as well as interior renovations. Tenants are required to rectify any non-compliance.
- For food and beverage tenants, the Property Management Contract requires installation of energy-efficient exhaust, make-up air, and air valve systems. Tenants must turn off these systems when not in use to reduce energy consumption. Random inspections are conducted, and violators are subject to penalty clauses. All new commercial project contracts are now covered under this requirement.
- In 2024, Poly Commerce & Tourism Development issued the *Commercial Project Waste Room Management Standard*, *Commercial Project Solid Waste Management Regulations*, and *Commercial Project Special Equipment Management Regulations*. It also revised the *Commercial Project Store Renovation Management Measures* to further formalise the Company's green, low-carbon requirements for tenants through internal systems.

Case — InterContinental Guangzhou Exhibition Centre Actively Participated in "Earth Hour"

InterContinental Guangzhou Exhibition Centre actively responded to the World Wide Fund for Nature's call and hosted the "Shine with Love, Power through Darkness" event in March 2024. The hotel and its guests jointly participated in the global "Earth Hour" campaign, promoting awareness of the significance of environmental protection by switching off lights for one hour.



Scenes of the "Shine with Love, Power through Darkness" Event

Waste management

Poly Developments and Holdings is committed to reducing exhaust gas, wastewater, and waste emissions in production operations, optimising waste management; promoting green construction sites, and emphasising dust and noise control during construction. It takes corrective measures promptly for events that have negative environmental impacts, and implements proactive environmental management strategies to ensure environmental sustainability and healthy community life.

Indicators and targets

Goals for 2024	Progress Review	Goals for 2025
- Strictly adhere to "6 100%" for dust management, "8 rules" for noise management, and "5 requirements" for wastewater treatment to ensure that all emissions and disposal activities meet regulatory standards. - Achieve 100% compliance with national and local waste management regulations to ensure lawful disposal; - Continuously implement waste reduction, resource valorisation, and harmless treatment to promote waste recycling.	- Established pollutant management systems covering dust, noise, and wastewater; clarified risk management and goals to ensure compliant discharge. - Continued to strengthen compliant waste management across all business formats and ensured subsidiaries including Poly Property, Fuli Construction, and Poly Commerce & Tourism Development disposed of household waste, construction waste, kitchen waste, and hazardous waste in a compliant and clean manner.	- Strictly adhere to "6 100%" for dust control, "8 rules" for noise management, and "5 requirements" for wastewater treatment to ensure that all emissions and disposal activities meet regulatory standards. - Achieve 100% compliance with national and local waste management regulations to ensure lawful disposal; - Continuously implement waste reduction, resource valorisation, and harmless treatment to promote waste recycling.

Poly Developments and Holdings places great importance on the management of emissions and waste. It strictly complies with laws and regulations including the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Soil Contamination*, and the *Law of the People's Republic of China on the Prevention and Control of Noise Pollution*. All business units are required to establish ecological and environmental pollution source and risk identification and control systems, with a focus on managing pollutants such as noise, dust, smoke, wastewater slurry, and solid waste.

Fuli Construction has formulated the *Guidelines on Ecological and Environmental Protection Management Essentials for Construction Projects* and a negative list management system. Poly Property has issued the *Guidelines on the Control of Wastewater, Exhaust, Noise, and Soil Pollution*. The above two guidelines clearly outline specific control measures and handling requirements. During construction, Poly Developments and Holdings follows the principle of "monitor item by item, assign responsibility, and resolve issues promptly." For any problems identified, a rectification notice is issued in a timely manner with a clear deadline and designated responsible person. Rectification must be implemented and followed up on with written feedback, forming a complete management chain of "inspection – analysis – rectification – acceptance."

Dust pollution management

Poly Developments and Holdings strictly implements the "6 100%" control targets for construction dust prevention, comprehensively strengthening on-site dust control and reduction techniques and measures, and continuously enhancing its capability of systematically controlling dust pollution, with the goal of creating a green and low-dust construction environment.

Poly Developments and Holdings Dust Pollution Management System

"6 100%" in Dust Management

Goal	100% Enclosure of the Construction Site	Pavement 100% Hardened at the Construction Site	100% Coverage of Construction Site Sand, Soil, and Materials	100% Watering for Construction Operations	100% Cleaned Tyres and Bodies of Vehicles Exiting the Construction Site	100% Coverage or Greening of Long-term Bare Soil
Strategy	Install compliant enclosures or protective barriers to prevent construction dust from spreading.	Harden ground surfaces to prevent dust and rainy-day mud, and reduce pollution caused by vehicles and personnel.	Cover or apply curing measures for sand, soil, and materials to prevent wind-blown dust.	Apply dust reduction measures such as water spraying in dust-prone areas to reduce airborne particulate concentration.	Clean the tyres and vehicle body to prevent soil from being carried onto urban roads, thereby avoiding secondary dust pollution.	Cover or green bare soil areas at construction sites to enhance ecological and environmental quality.
Risk Management	- Enclosures along main roads must be ≥2.5m in height and ≥1.8m in other areas. All enclosures must be stable and intact; - Building façades must be fully covered with fine mesh netting; - Key areas such as rebar and stone processing zones must be fully enclosed.	- Concrete, steel plates, or paving bricks should be used for hardening; - Motor vehicle lanes must be ≥4m wide; - During foundation pit works, gravel or steel plates should be laid, and curing agents should be applied if necessary.	- Debris must be piled and covered with green mesh; high-altitude dumping is strictly prohibited; - Bare soil exposed for more than 45 days must be greened; for less than 45 days, green mesh coverage and water spraying are required; - Excavated earth must be backfilled as soon as possible; uncovered portions must be treated with green mesh coverage or curing measures.	- Sprinkler systems should be installed at the construction site (along enclosures, foundation pits, cranes, etc.); - Mist cannons must be placed every 30–50 metres around pits; - Water must be sprayed at least four times daily, and at least six times during polluted weather or in winter (October to February the following year).	- Construction site entries and exits should be equipped with automatic vehicle cleaning systems, which are managed by dedicated personnel; - A vehicle cleaning log should be maintained to track compliance in vehicle cleaning; - Vehicles must not leave the construction site without being cleaned.	- Short-term bare soil should be covered with green mesh, and water should be sprayed for dust suppression; - Long-term bare soil should be revegetated using fast-growing grass species. The construction site greening rate must be ≥95%; - Brick edging must be built around soil piles, with irrigation systems installed for moisture retention.



Bare Soil Coverage Measures



Enclosed Shelter for Concrete Mixer

Noise pollution management

Poly Developments and Holdings proactively identifies and systematically manages noise pollution sources at construction sites, including civil construction, decoration work, equipment installation, and vehicle transportation. The Company has established comprehensive "8 rules" for project noise management, strictly adhering to the principles of "no disturbance from blasting and reduced noise at night." Low-noise construction machinery is prioritised, and work schedules are scientifically arranged to minimise the impact of construction activities on surrounding communities.

Poly Developments and Holdings Noise Pollution Management System

Goal

- Minimise noise pollution during all phases of construction to reduce the impact on nearby sensitive areas such as residential communities, schools, and hospitals.

Strategy

- Strictly comply with national and local noise management regulations;
- Use construction equipment with effective noise-control features and schedule work during reasonable hours to control environmental noise pollution.

Risk Management

"8 Rules" for Noise Management

- 1) Strictly adhere to national standards and reasonably arrange construction processes;
- 2) Use efficient construction machinery to improve productivity and shorten operation time;
- 3) Follow permit and public disclosure systems for midday or night-time construction noise; install online noise monitoring systems;
- 4) Use low-noise, environmentally friendly vibrating rods during construction at night; install noise insulation covers on concrete pumps in sensitive areas; set up processing sheds away from sensitive zones;
- 5) In residential, educational, and healthcare areas, limit use of noise-generating equipment to designated hours and provide timely public notices;
- 6) Maintain active and open communication with local communities during construction;
- 7) Strictly prohibit construction noise exceeding the pre-set and publicly disclosed limits for various equipment (noise sources);
- 8) Ensure demolition noise levels are $\leq 70\text{dB}$; apply noise reduction or sound insulation measures when necessary.



Noise Reduction Screen for the Rebar Shed



Wastewater management

Poly Developments and Holdings strictly implements national and local regulations and standards for wastewater treatment. It has formulated and enforced the "5 requirements" for sewage and wastewater treatment, establishing a full-process, multi-layered discharge risk prevention and control mechanism to ensure the compliant disposal of all types of construction wastewater.

Poly Developments and Holdings Wastewater Management System



- Ensure that all sewage generated at construction sites is properly treated before discharge, in full compliance with environmental regulations, to prevent pollution of water bodies and the surrounding environment.

- Discharge all construction sewage only after it meets treatment standards; avoid direct discharge into municipal pipelines or natural water bodies;
- Optimise on-site sewage treatment facilities to reduce the impacts of sewage on soil, groundwater, and the surrounding environment.

"5 Requirements" for Sewage and Wastewater Treatment

- 1) Construction sewage must be treated in sedimentation tanks and shall not be discharged until it meets discharge standards through processes such as flocculation and sedimentation. Direct discharge is strictly prohibited;
- 2) *The Discharge Permit* must be obtained before any sewage discharge. Unauthorised discharge is strictly forbidden;
- 3) Canteens must be equipped with oil separation tanks; prefabricated septic tanks are recommended for toilets. Domestic sewage must meet discharge standards before entering the municipal sewage system;
- 4) Sedimentation tanks must be appropriately sized and fitted with safety railings;
- 5) Sludge from tertiary sedimentation tanks must be treated using deslimers to prevent secondary pollution.

Case – Oil Separation Facility Upgrade Project of Poly Commerce & Tourism Development

At Guangzhou Poly Plaza and Foshan Poly Mall, the original oil separation tanks had been in use for an extended period and faced operational challenges, including occasional overflow that affected the comfort of the parking environment. In addition, with optimised mall business format layouts and expanded food and beverage areas, the capacities of the original facilities should be expanded accordingly to meet business development needs.

In 2024, Poly Commerce & Tourism Development switched to new high-efficiency oil separation equipment, significantly enhancing stability and reliability in oil wastewater treatment. The increased capacity has also effectively supported the tenant recruitment and the business expansion needs of food and beverage tenants.



Upgraded Oil Separation Tank at Guangzhou Poly Plaza

Waste disposal

Poly Developments and Holdings systematically identifies waste discharge sources across its business operations. On the one hand, it strictly enforces compliant disposal standards to mitigate environmental risks; on the other hand, it actively explores opportunities for waste valorisation, building a resource-efficient and environmentally friendly waste management system.



Risk Management

Construction phase

Emission Source	Methods of Waste Disposal
Hazardous waste	- Designated temporary hazardous waste storage areas have been established for the separate categorisation and storage of hazardous waste; - Toxic and harmful construction waste is managed by certified disposal agencies to ensure proper handling.
Excavated earth	- Most excavated earth is reasonably allocated for use in backfilling elsewhere; - Excavated earth is used as native soil for backfilling whenever feasible.
Prefabricated construction waste	Suppliers of prefabricated components are required to process and dispose of waste materials through crushing and recycling.
Obsolete equipment	Efficiency standards for the phase-out of old equipment are refined, with enhanced supervision management to promote equipment upgrades and recycling. Disposal of obsolete equipment is handled by professional agencies.
8 key points of building waste	- Relevant parties must obtain waste disposal permits; - Waste must be sorted and stored separately, and removed in a timely manner; - Designated personnel shall be assigned to supervise loading operations; - Licensed vehicles should be engaged, fully enclosed and washed; - Vehicles should be secured against spillage, and overloading or speeding is strictly prohibited; - Demolition waste shall undergo crushing, screening, and recycling; - Non-recyclable waste must be handed over to certified disposal organisations; - Applicable local regulations shall be observed.
3 control measures for pollutant discharge from construction machinery	- The use of new energy and new enclosed-type dump trucks is promoted, and priority is given to low-emission machinery; - Vehicle engines must comply with national emission standards. Diesel engines must be equipped with original factory-installed diesel particulate filters ("DPFs") and meet local emission requirements; - Non-road mobile construction machinery must comply with the <i>Limit and Measurement Methods for Exhaust Smoke from Non-Road Mobile Machinery Equipped with Diesel Engine</i>.

Operational phase

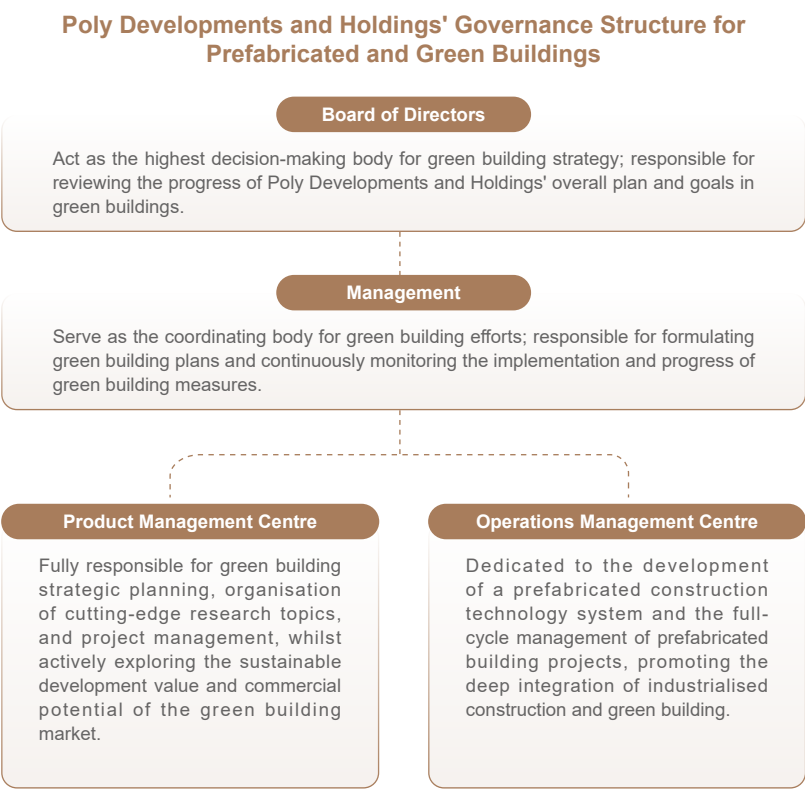
Emission Source	Methods of Waste Disposal
Hazardous waste	Hazardous waste is managed in strict accordance with the <i>National Catalogue of Hazardous Wastes</i>, with wastes categorised and stored separately. Qualified organisations are contracted to recycle and process hazardous waste responsibly.
Domestic waste	- Community waste sorting publicity and education are conducted, and promotional materials are distributed. The sorting labelling system is also improved; - Residents are encouraged to sort their waste and earn additional income by selling recyclable materials; - Dedicated personnel are assigned during peak times to assist residents with waste sorting and conduct on-site supervision; - Third-party management methods are introduced to enhance the overall waste recycling efficiency, such as installing used clothing collection bins; - Qualified third-party institutions are engaged to standardise the cleaning and disposal.
Kitchen waste	Full-process management is implemented across the catering process (procurement, storage, processing, serving, dining, and kitchen waste), effectively controlling waste generation risks at each stage.
Organic waste	Valorisation of organic waste is carried out by applying composting and other technologies to convert waste into valuable resources.
Single-use waste	- In hospitality projects, customers are offered alternatives to disposable items to prevent unnecessary waste at the source; - Paperless processes are promoted in office settings.

RESOURCES AND CIRCULAR ECONOMY

Prefabricated and green buildings

Governance

Poly Developments and Holdings has established a systematic governance structure for prefabricated and green buildings to capture sustainable development opportunities in the field of green buildings.



Strategy

Poly Developments and Holdings promotes the application of prefabricated buildings, adheres to green building standards, integrates environmental protection concepts into the design and construction process, controls environmental management throughout the entire life cycle of buildings from design to operation, maximises resource conservation, reduces the negative impact of buildings on the environment, and builds green, low-carbon healthy living spaces.

Indicators and targets

Goals for 2024	Progress Review	Goals for 2025
• Achieve 100% compliance with green building design standards in terms of the gross floor area ("GFA") of all new projects; • Continuously seek high-level green building certification.	• Achieved 100% compliance with green building standards in terms of the GFA of all new projects in 2024. Specifically, 662 new projects with a combined floor area of 12.76 million square metres met green building rating standards, of which 5.21 million square metres met the China Green Building Two-star certification or higher; • Further promoted the implementation of ultra-low energy, nearly zero energy building technologies, and healthy building technologies, with a total of 1.11 million square metres of ultra-low energy projects and 410,000 square metres of nearly zero energy building projects already in place by 2024.	• Achieve 100% compliance with green building design standards in terms of the GFA of all new projects; • Continuously obtain high-level green building certifications for both newly launched projects and existing buildings.
• Continuously improve procurement standards for green building materials and expand application coverage.	• Selected environmentally friendly, recyclable, and low-formaldehyde green materials during procurement in 2024, and used green materials and low-emission interior decoration materials exceeding national standards during construction, and expanded the applications of green building materials in practical construction.	• Continuously improve procurement standards for green building materials and expand application coverage.

Impacts, risks, and opportunities management

Green buildings

Poly Developments and Holdings is committed to continuous advancement in the field of green buildings and empowers ideal living with its core strategy of "Better Products, Better Services, and Better Life." We have established a comprehensive policy framework and design system for green buildings, and pledged to continuously adopt green building practices in both new and existing projects, thereby providing customers with high-quality products and services that meet their eco-friendliness and health needs.

» Green building design system

Design philosophy

- Uphold a green building design management concept that centres on "human-centred principles and harmonious coexistence between humans and nature";
- Focus on energy conservation and emission reduction, efficient resource use, and optimisation of indoor environments.

Research initiatives

- Research on green building technologies is actively promoted;
- The Zhonggong Architectural Design Institute undertook the research project "Key Technologies and Demonstration of Ultra-low Energy High-rise Residential Buildings in Hot Summer and Warm Winter Regions." Based on Poly Developments and Holdings' typical project cases, the research evaluates the technical feasibility and economic viability of ultra-low energy residential buildings and aims to establish Poly Developments and Holdings' distinctive technical strategies.

Planning and design

- Green design concepts are integrated from the early planning stage of each project, and environmentally friendly and recyclable green building materials are procured and applied. Additionally, high-efficiency thermal insulation systems and smart energy management systems are applied;
- The integration of architecture with the natural environment is emphasised to maximise natural ventilation and daylight, reducing dependence on mechanical ventilation and artificial lighting.

Achievements implemented

- In 2024, approximately 220,000 m² of ultra-low energy buildings and 70,000 m² of nearly zero energy buildings were constructed in cities such as Shanghai and Beijing. Technologies implemented include high-performance enclosure systems (applying silicon-graphene reverse-applied insulation), insulating exterior wall coatings, breathable membranes and air barrier for exterior walls, dual systems combining fluorine-based HVAC and hydronic heating, fresh air heat recovery systems, and photovoltaic power generation;
- All new projects achieved 100% compliance with green building standard certification in terms of GFA with 5.21 million m² reaching China Green Building Two-star or higher certification.

» Case – Green Building Implementation Achievements – Ultra-Low Energy Building Demonstration Project

Building 6 of Beijing Xingchen Hexu of Poly Developments and Holdings is a representative case of ultra-low energy buildings. The project was designed and implemented in strict accordance with the *Design Standard for Ultra-Low Energy Residential Buildings of Beijing*.

- Reactive building design approach:** High-efficiency external insulation systems, high-performance doors and windows, and thermal bridge-free and airtightness designs were adopted to effectively reduce the need for heating, cooling, and lighting.
- Proactive technical solutions:** High-efficiency fresh air heat recovery systems were applied to improve the efficiency of energy equipment and systems, significantly reducing energy consumption whilst ensuring occupant comfort.

The building achieved annual average cooling energy consumption of 17.30 kWh/m²·a, heating energy consumption of 8.11 kWh/m²·a, overall building energy consumption of 7,135.02 kWh/household·a, and carbon emission intensity of 20.71 kgCO₂e/m²·a—all surpassing the requirements of the *Technical Standard for Nearly Zero Energy Buildings* (GB/T 51350-2019).



Ultra-low Energy Building Certificates for the Related Towers

» Green building targets and certifications

Poly Developments and Holdings strives to be a leader in green buildings across the industry. Whilst strictly following the *Assessment Standard for Green Building* and other applicable standards, we also actively respond to green building requirements issued by local governments and stakeholders. In addition, based on the *14th Five-Year Plan for Building Energy Efficiency and Green Building Development*, Poly Developments and Holdings has set higher and more forward-looking goals.

China's Green Building Goal

According to the overall goal in the Ministry of Housing and Urban-Rural Development's *14th Five-Year Plan for Building Energy Efficiency and Green Building Development*:

By 2025, all new urban buildings shall be green buildings, with continuous improvement in building energy efficiency, an optimised energy use structure, and effective control of energy consumption and carbon emissions growth, and a green, low-carbon and recycling approach to construction development will be basically developed, laying a solid foundation for achieving carbon peaking by 2030 in the construction sector.

Poly Developments and Holdings' Green Building Certification Goal

Poly Developments and Holdings is committed to improving the green building standard performance of both new and existing buildings and to achieving high-level certifications (e.g. China Green Building Two-Star or Three-Star certification, LEED certification, and WELL certification).

Poly Developments and Holdings maintains the long-standing goal of "achieving 100% compliance with green building design standards in terms of the GFA of all new projects". We optimise the application of green building technologies in existing projects, upgrade existing building projects to meet green building standards, and expand the scope and coverage of green building certifications.

Achievement of Poly Developments and Holdings' Green Building Certification Goal in 2024

In 2024, 100% of the GFA of Poly Developments and Holdings' new projects met the national standard certification of the *Assessment Standard for Green Building* (GB/T 50378-2019). Among them, 662 new projects, covering a total area of 12.76 million m², met green building rating standards. 5.21 million m² of these met China Green Building Two-star or higher certifications, positioning Poly Developments and Holdings at the industry-leading level.

By 2024, a cumulative 1.11 million m² of ultra-low energy building projects and 410,000 m² of nearly zero energy building projects had been implemented.



Poly Development Plaza East Tower in Guangzhou received
LEED v4.1 OPERATIONS AND MAINTENANCE:
EXISTING BUILDING PLATINUM Certification



Poly Plaza in Beijing received
LEED V4 BUILDING DESIGN AND CONSTRUCTION:
CORE AND SHELL DEVELOPMENT GOLD Certification



Case — The Up City: A Green and Healthy Living Proposal

As a model of green and healthy buildings, The Up City project proposes an innovative integration concept of "POD + TOD" (Park Oriented Development + Transit Oriented Development), combining ecological space with urban transit, and serving as a model for sustainable urban renewal.

TOD Model

Centred around Yuanjiang Road Metro Station, the project integrates metro access with urban functionality through a "station-city-people" approach. Residents enjoy a lifestyle of five minutes to the station, 15 minutes to nearby living areas, and 45 minutes to the city centre. It is also part of a transportation network that enables multi-level connectivity.

Healthy Living System

The project adopts a full-lifecycle residential system 2.0 – "Well Integrated Community", with health as its core and guided by the principles of "health, intelligence, and efficiency" to foster a healthy building environment from the following three dimensions:

- **Well Space:** The project creates a healthy and comfortable community "microclimate" through a scientifically designed circulation system, dual-flow fresh air system, and ultra-filtration terminal water purification;
- **Well Support:** The landscape offers "one core, two axes, three gardens, six scenes" along with all-age fitness spaces, fulfilling the ideal of "living in the park";
- **Well Smart:** The project features a smart community operating system and contactless access system to minimise cross-contamination and enhance residential safety.

Green Ecological Design

The project's core feature lies in its 200,000 m² dual-themed parks and waterfront design, which, through the POD concept of "boundary removal", breaks down the barriers between urban development and nature. It introduces a three-layer city model:

- **0-metre Ecological Base:** Integrated with approximately 200,000 square metres of dual-themed waterfront parks;
- **10-metre Service Hub:** Including a 10,000-square-metre dynamic block offering complete community amenities;
- **17-metre Elevated Living:** An above-ground residential zone designed to create a floating, elevated lifestyle experience.



The Up City Project



» Green supply chain



Green management of suppliers

Poly Developments and Holdings continuously deepens collaboration with suppliers and contractors in the delivery of green building products. In partnership with UIOT, we have developed the Polyhome system, offering one-click smart connectivity and indoor environmental monitoring. Standardised modules have been formed for access control and indoor environment management, enhancing the convenience of residential spaces. Meanwhile, we have established 16 low-formaldehyde green technology procurement standards, covering formaldehyde-free cabinetry, ENF-grade flooring (formaldehyde emission $\leq 0.025\text{mg/m}^3$), SPC stone-plastic composite flooring, antibacterial fresh air and central HVAC systems, high-performance water purifiers, among others—enhancing component health performance indicators and providing technical standards for green and healthy living.

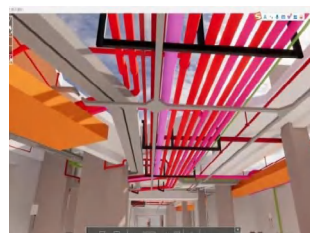


"Polyhome" System



Green management of contractors

Poly Developments and Holdings applies the Building Information Modelling ("BIM") technology to build a digital twin product packaging platform and incorporates AI-generated content ("AIGC") technology to empower the supply chain. Green and low-carbon design requirements are embedded at the source, forming an integrated digital management mechanism across design, quantity take-off, procurement, and delivery. This enables drawing-model coordination and intelligent supply chain sourcing, improving the efficiency of retrieving information across all stages, ensuring model data consistency from design to delivery, and significantly reducing the use of printed drawings. In 2024, these technologies were successfully implemented in ten newly launched projects, contributing new enterprise-level case studies for environmentally friendly and material-efficient design.



Integrated BIM Design Packaging

Poly Developments and Holdings actively collaborates with upstream and downstream industry players, focusing on areas such as prefabricated bathrooms and prefabricated interior systems (precast concrete structure), to jointly build an integrated industry system covering design integration, manufacturing, construction, and maintenance. The Company empowers key upstream suppliers—including leading integrated product suppliers, material and component suppliers, and construction service suppliers—through a variety of support programmes, whilst consolidating resources across the entire industrial chain of prefabricated materials, components, and integrated products. At the same time, the Company has innovatively applied a supply chain platform to achieve seamless integration between procurement and services, continuously strengthening the integration capacity of the industrial chain and driving the development and wider adoption of prefabricated building technologies across the industry.

Healthy buildings

Poly Developments and Holdings recognises that a healthy living environment has become an essential demand of modern life. It proactively integrates health-related elements into design, material selection, spatial layout, and other processes to create high-quality homes that promote both physical and mental well-being. This is aligned with its brand philosophy of "Building Harmony".



» Healthy building system

Poly Developments and Holdings has established a comprehensive healthy building system, creating healthy environments across the full life cycle of living and working, from air quality and natural lighting to clean water, healthy materials, and comfortable environments.



Poly Developments and Holdings' Healthy Building System Diagram

Data highlights

The Poly Development Plaza East Tower in Guangzhou met the WELL Health-Safety Rating requirements for spatial facilities and operational services, and passed the certification evaluation.



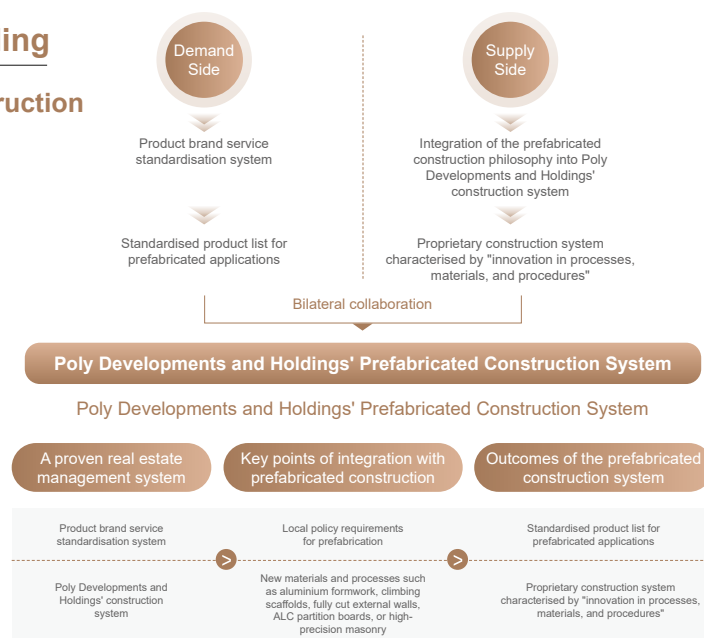
Healthy Building Ratings

- Heguang Xujing project met Silver level in healthy building rating
- Zhaoyang Hexu and Xingchen Hexu projects met Bronze level in healthy building rating

Prefabricated building

» Prefabricated construction system

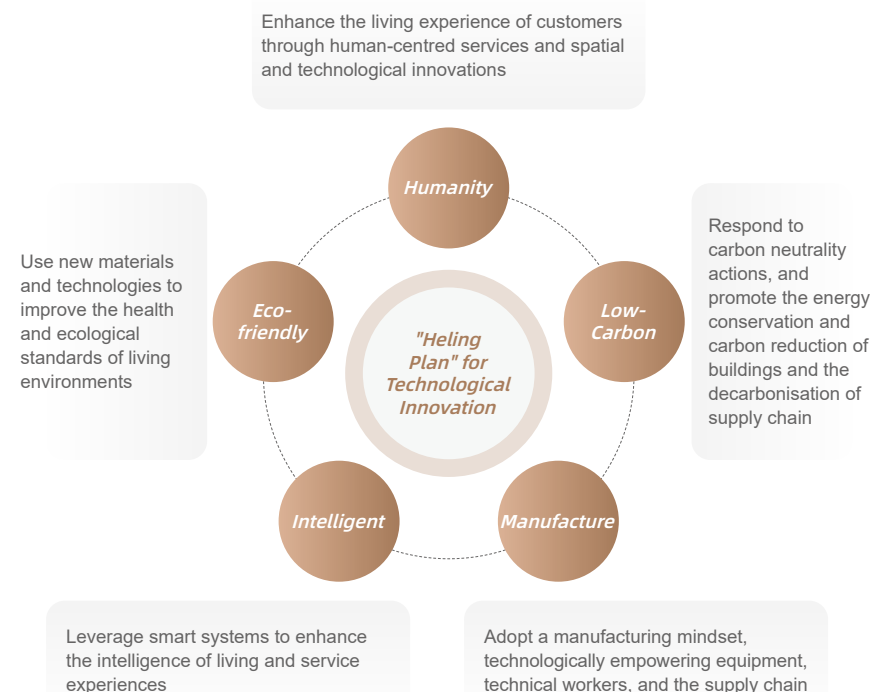
As a foundational technology for industrialisation and intelligent construction, prefabricated buildings represent a highlight of new quality productive forces in the construction industry. Poly Developments and Holdings advances from both the demand side and the supply side, systematically building a standardised product list for prefabricated applications. The philosophy of prefabrication is deeply embedded in Poly Developments and Holdings' proprietary construction system characterised by "innovation in processes, materials, and procedures", building a prefabricated construction system with Poly Developments and Holdings' characteristics.



Poly Developments and Holdings continues to optimise the application technologies and construction processes for ALC wall panels, prefabricated PC external walls or components, and prefabricated internal partition walls. The Company has refined the quality supervision model for prefabricated construction, and innovatively embedded a dedicated quality evaluation indicator system for prefabricated components into third-party process assessments, ensuring high-quality construction and delivery of prefabricated buildings. In 2024, the new EMC prefabricated process was successfully piloted by Poly Developments and Holdings' Beijing Subsidiary. Whilst ensuring high-quality delivery standards, it is expected to achieve a cost reduction of RMB35 per square metre.

» The "Heling Plan" for technological innovation

Poly Developments and Holdings has seized the digital and manufacturing trends in the housing construction sector and launched the "Heling Plan" for technological innovation. This initiative builds an innovation system focused on five key directions: Humanity, Eco-friendly, Low-Carbon, Intelligent, and Manufacture, driving the advancement of prefabricated construction, renewable energy utilisation, smart communities, AI design, and BIM application. This enables Poly Developments and Holdings to reshape product value and transform production models through technological innovation. In practice, the Product R&D Centre at the headquarters of the Company cooperates deeply with leading industry players to develop prefabricated home finishing solutions and 10 new material processes, which have been applied in newly launched apartment projects.



Five Directions of the "Heling Plan" for Technological Innovation

Data highlights

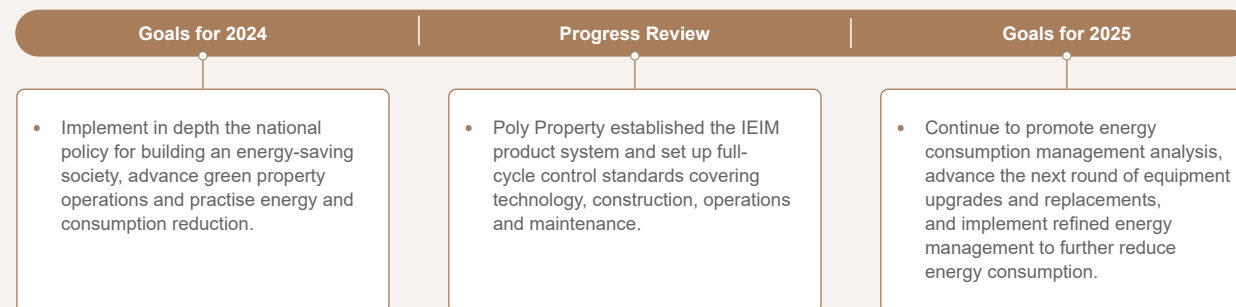


In 2024, the total area of prefabricated building projects under construction nationwide exceeded **15** million square metres.

Resources use

Poly Developments and Holdings focuses on material selection, energy efficiency improvement, product durability enhancement, and resource recycling optimisation at all stages of the product life cycle. We propose energy-saving and consumption-reduction requirements, promote the use of renewable energy, and improve energy management mechanisms. Additionally, Poly Developments and Holdings optimises water resource management mechanisms, promotes water-saving transformations, promotes the recycling of water resources, and strengthens the recycling of various resources to contribute to the development of a circular economy.

Indicators and targets



Energy management

Energy management is a key approach for fulfilling environmental responsibilities and improving operational efficiency. Poly Developments and Holdings strictly complies with laws and regulations including the *Energy Law of the People's Republic of China* and the *Energy Conservation Law of the People's Republic of China*, and has improved the relevant internal policy system.

Governance and policy system development

In energy management governance, Poly Developments and Holdings has developed the *Measures for Administration of Energy Conservation and Environmental Protection*, and built a sound data collection mechanism. Each quarter, energy-saving and environmental data from subsidiaries is summarised and monitored, with regular reviews and assessments to continuously improve energy performance. In terms of energy management systems, subsidiaries of Poly Developments and Holdings have developed comprehensive policy systems to achieve refined and optimised energy consumption control.

Overview of Energy Management Systems of Poly Developments and Holdings' Subsidiaries

Poly Property

Subsidiaries of Poly Property at all levels have established comprehensive systems and guidelines, such as the *Administrative Measures for Energy Conservation and Ecological Environmental Protection*, the *Guidelines on the Control of Wastewater, Exhaust, Noise, and Soil Pollution*, the *Manual on Quality, Environment, Asset and Occupational Health & Safety Management*, and the *Guidelines for Environmental Factor Identification and Evaluation*.

Fuli Construction

Fuli Construction has developed the *Administrative Measures for Energy Conservation and Ecological Environmental Protection* and established a well-rounded system for organisational management, statistical monitoring, performance evaluation, incentive and punishment in the areas of energy conservation and environmental protection, with a focus on optimising the energy consumption structure. The policy covers all sites under construction and is effectively implemented across project departments through meeting publicity and professional inspections.

Poly Commerce & Tourism Development

Poly Commerce & Tourism Development has developed the *Commercial Project Energy Management Measures and Guidelines for Electricity, Water, and Gas Pricing for Commercial Projects*, standardising energy revenue management.

A systematic energy conservation transformation management process has been implemented. The Project Department submits a special transformation plan annually, which is implemented after being reviewed by the Business Department and the Engineering Cost Department. Transformation projects with individual investment >RMB3 million or total investment >RMB10 million must be approved by the Board of Directors to ensure scientific and effective major investment

Energy consumption management system

Poly Developments and Holdings continues to refine its project energy consumption management system and embed low-carbon practices across the full operational chain. A comprehensive energy control mechanism has been built around three pillars: operational management optimisation, equipment and system upgrades, and technology roadmap innovation—supported by a standardised energy cost ledger to enhance efficiency and contribute to green and low-carbon goals.

Project Energy Consumption Management System of Poly Developments and Holdings



Case – Poly Commerce & Tourism Development Dual-Track Energy Management: Technological Upgrades and Smart Monitoring

Energy-saving Technical Upgrades for Core Electrical Equipment

Poly Commerce & Tourism Development completed energy conservation transformation for core electrical equipment at commercial management projects such as Hefei Yaohai Poly Plaza, and Junluxe Hotel Guangzhou Science City, resulting in an annual carbon reduction of 4,600 tonnes. Regarding Yaohai Poly Plaza, an intelligent cooling source control system was installed, allowing for adaptive load adjustment, seasonal temperature settings, and frequency conversion for water pumps, comprehensively improving the operating efficiency of chillers and water pumps, with an estimated energy savings rate of over 16.2%.



Energy Control Platform of Hefei Yaohai Poly Plaza

Hai Ding Energy Management System

Commercial management projects have continued integrating the Hai Ding Energy Management System, which monitors a wide range of critical energy-consuming equipment. The system enables real-time monitoring of energy budget utilisation rates across projects. In 2024, a total of 31 commercial management projects across the country were randomly inspected, with the annual energy budget utilisation rate maintained at around 90%, generally aligning with the planned energy consumption expectations.

Case — Poly Property: Actively Exploring Diverse Low-carbon and Energy-saving Development Paths

Industry-University-Research Institution Collaboration Drives Innovation in Energy Management

In June 2024, Poly Property partnered with a technical team from Tsinghua University to officially launch an industry-university-research institution collaboration on energy management during the Shanghai Facilities Management Expo. Together, they released the IEIM system, advancing green services in the era of new quality productive forces.

The IEIM system offers intelligent energy management solutions for HVAC, lighting, and water systems by tracking carbon footprint, asset health, and energy savings. In 2024, the IEIM successfully supported the Ministry of Justice of the People's Republic of China and the pilot testing base of SPIC Hydrogen Energy Co., Ltd., enhancing energy control and efficiency.

The product system includes solutions such as smart lighting for underground parking, 16 residential energy and elevator control modules, high-efficiency HVAC rooms for commercial office business, and renewable energy utilisation. It is supported by full-cycle standards from R&D and construction to operations and maintenance. As of the end of 2024, it has saved 18 million kWh of electricity, contributing to sustainable production and the timely achievement of national carbon neutrality goals.



Industry University Research Institute Collaboration Reached Between Poly Property and Tsinghua University on Energy Management

National Energy Efficiency Promotion Week and National Low-Carbon Day Campaign

In mid-May 2024, Poly Property carried out awareness campaigns through employee training, posters, and on-site engagement during the National Energy Efficiency Promotion Week and National Low-Carbon Day, strengthening the environmental awareness of employees and residents.



Thematic Awareness Campaign

Renewable energy utilisation

Poly Developments and Holdings actively advances ultra-low energy building technologies and expands the application scenarios of renewable energy. As a core technology in the "Industry Chain of Low-carbon and Smart Living", Building-Integrated Photovoltaics ("BIPV") and other innovative solutions are prioritised by the Company by integrating them into ultra-low energy building projects. Renewable energy has become a new quality productive force during both development and operational phases, driving the Company's green energy structure transformation.

Data highlights



- In 2024, renewable energy technologies were introduced in **6.75** million m² of newly launched projects of Poly Developments and Holdings.



Water resource management

Poly Developments and Holdings strictly adheres to the *Water Law of the People's Republic of China* and has formulated internal regulations such as the *Administrative Measures for Energy Conservation and Ecological Environmental Protection* and the *Engineering Cost Control Management Regulations* to comprehensively monitor water-related risks and opportunities. The Company has established a scientific and efficient water management system by continuously optimising water conservation management processes, actively advancing water-saving technology upgrades, and strengthening water resource recycling. This demonstrates the Company's commitment to the sustainable development of water resources.

Water Resource Management System of Poly Developments and Holdings



Water-saving Management

- Prominent water-saving signs are placed in key water-use areas to continuously promote awareness of water conservation;
- Slogans are posted at project sites to raise water-saving awareness;
- Sprinklers and mist cannons are used on construction sites to replace traditional manual sprinkling, achieving both cooling and dust suppression;
- Mechanical road cleaning is favoured to reduce water consumption;
- Domestic and construction water use areas are strictly separated and managed.



Data Analysis

- A regular statistical analysis mechanism for water resource usage is established to optimise management plans based on the analysis results;
- Projects utilising reclaimed water systems are subject to targeted water risk monitoring and data analysis;
- In collaboration with the R&D department, systematic evaluations are conducted to assess water use efficiency.



Risk Control

- Specialised equipment is used to regularly inspect water supply networks for potential leakage risks;
- In terms of property management, water quality safety is ensured through the installation of monitoring devices during the design phase;
- Drinking water systems undergo regular inspection and maintenance to guarantee water safety.



Water-saving Transformation

- The use of water-saving and smart devices, such as sensor-activated faucets, is being widely promoted;
- All faucets in canteens and restrooms are water-efficient models to reduce daily water consumption;
- Water efficiency is further enhanced through ongoing technical transformation.

»» Case – Efficient Circular Utilization of Resources - Water-Saving Retrofit by Poly Commerce & Tourism Development

Design Capital of Guangzhou – Time

This project achieved notable water-saving improvements through three targeted measures: First, the easily damaged plastic clip panels on water tanks, often causing continuous water flow, were replaced with durable stainless steel control panels. Second, the tank water level was optimised from 90% to 70%, directly reducing water consumption by 20%. Third, a time-control system was installed on the main restroom water valve, changing the 24-hour supply mode to scheduled water shutdowns (from 23:30 to 07:00). With a total investment of only RMB16,000, the project helps save annual water cost by RMB20,000, enabling a rapid return on investment.

Guangzhou Poly Zhongyue Plaza

The project introduced an innovative solution for recovering and reusing HVAC condensate water. A dedicated storage system was installed to collect condensate water that would otherwise be discharged, and redirect it to flush urinals and toilets in the restrooms. With an investment of only RMB20,000, the transformation yields annual water cost savings of RMB25,000. This not only promotes water resource recycling but also delivers significant economic benefits, making it a model example of water-saving transformation in commercial projects.

Metric	Unit	2024	2023
Total Water Consumption	10,000 tonnes	1,820	1,472
Circulating Water Consumption	Tonnes	230	194
Water Consumption Intensity	Tonnes per million RMB	58.39	42.44

Contributing to the circular economy

Poly Developments and Holdings attaches great importance to circular economy principles. By promoting efficient resource use and waste valorisation, the Company continuously improves resource efficiency across production and consumption processes whilst reducing environmental burden. We also actively explore the use of renewable resources to reduce reliance on traditional resources and contribute to the circular economy.

Building Lifecycle	Phase	Circular Economy Strategy
Construction Phase	Excavated earth backfilling	For eligible sites, earth is reused for backfilling, reducing transportation-related energy and resource use;
	Construction materials	Scaffolding, aluminium formwork, and safety tools are recycled to avoid one-time consumption;
	Reclaimed water use	For cleaning water used within the project, tertiary sedimentation tanks are used to filter and reuse water for dust suppression and vehicle washing.
Operational Phase	Water recycling systems	Water recycling measures are implemented for landscape lakes, cooling systems, and other facilities. These include, but are not limited to, the installation of recycling equipment and the collection and reuse of condensate water;
	Idle assets	Idle assets are managed and outdated equipment is retrofitted to reduce operational losses and mitigate their negative impact on the development of circular economy;
	Recycling of used items	Old clothing collection points are set up in communities and malls to encourage recycling. Donated items are distributed to underprivileged communities in mountainous regions.

Waste Opportunity Management

Poly Developments and Holdings continues to deepen refined classification and resource reuse of construction waste at ongoing project sites. Demolished concrete is transported to certified recycling companies for crushing and reuse. Recycled gravel and earth are scientifically applied in foundation and roadbed backfilling. Scrap rebar is creatively repurposed into safety components such as protective covers and toe boards. This approach forms a complete closed-loop system for construction waste valorisation, effectively enhancing environmental performance and improving resource efficiency at the project level.



Solid Waste Collection Station at Ongoing Construction Sites

Case — Poly Property's Eco-friendly Rainwater Replenishment Station at Chengdu Poly Kangqiao Project

The Chengdu Poly Kangqiao Project by Poly Property integrates intelligent environmental protection concepts into community management through the innovative construction of an "Eco-friendly Rainwater Replenishment Station". The system collects rainwater through a scientific process and efficiently channels it for community landscaping irrigation and water features replenishment—establishing an ecological closed loop for water recycling within the community. This model reflects the principle of "sourcing from and returning to nature", delivering a sustainable solution that has become a benchmark in community-level water resource management.



Rainwater Replenishment Station at Chengdu Poly Kangqiao Project

SOCIAL



Response to Topics in the SSE Guidelines

- Rural Revitalization
- Contributions to the Society
- Innovation-driven
- Safety and Quality of Products and Services
- Supply Chain Security
- Equal Treatment to Small and Medium-sized Enterprises
- Data Security and Customer Privacy Protection
- Employees

Relevant GRIs

2-7, 2-8, 2-19, 2-20, 2-23, 2-24, 2-25, 2-26, 2-28, 2-30, 201-3, 203-1, 203-2, 204-1, 205-1, 205-2, 308-1, 308-2, 401-2, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 404-2, 404-3, 405-1, 405-2, 406-1, 407-1, 408-1, 409-1, 413-1, 414-2, 416-1, 417-1



Promotion of Employee Development

Employee rights protection

Governance

The Board of Directors holds ultimate responsibility for the topic of employee rights protection at Poly Developments and Holdings. Specifically, the Remuneration and Assessment Committee is responsible for overseeing the overall management of executives and key talent, and ensuring that the talent management strategy aligns with the Company's long-term objectives. The Human Resources Centre is responsible for providing a comprehensive human resources management system for all employees, effectively safeguarding their legitimate rights and interests.

Strategy

Poly Developments and Holdings complies with the relevant laws and regulations, upholds human rights conventions and labour standards, and ensures fair and lawful employment practises. We fully respect the rights of our employees. Through diverse initiatives, we actively promote fair employment and provide an inclusive platform for all employees to thrive and grow. We offer competitive compensation and benefits, continuously improve our compensation management system, and optimise performance-based pay practises.

Indicators and targets

Goals for 2024	Progress Review	Goals for 2025
• Adhere to a proactive talent recruitment strategy and expand recruitment channels; • Strengthen measures to stabilise employment and promote job creation, actively fulfilling social responsibilities.	• Launched the 2024 campus recruitment campaign to actively attract university graduates, with the number of hires through campus recruitment maintained at over 1,000; • Provided over one hundred flexible employment positions in 2024, engaging a total of 2,588 individuals in flexible employment.	• Continue to optimise recruitment strategies and broaden recruitment channels; deepen efforts to stabilise employment and promote job creation, fulfilling the responsibilities of a central state-owned enterprise.
• Continue to improve the employee benefits and security system, providing long-term and stable health and financial protection to enhance employee satisfaction and sense of belonging.	• In accordance with the law, contributed to the "five social insurances and one housing fund" for employees, established a stable enterprise annuity plan, and arranged supplementary commercial medical insurance. At the same time, offered a range of diversified benefit programmes and charitable support initiatives, and adopted multiple measures to enhance the employee welfare system.	• Implement talent incentives and employee wellbeing measures, striving to grow alongside employees and jointly seek development opportunities.

Impacts, risks, and opportunities management

Compliant employment

» Protection of human rights

Poly Developments and Holdings strictly complies with the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, and enforces internal systems such as the *Measures for Recruitment Management of Poly Developments and Holdings Group Co., Ltd.* These govern all aspects of employment including recruitment, dismissal, rewards and penalties, and working hours, ensuring lawful and compliant employment practices.

We strictly adhere to the *Universal Declaration of Human Rights*, the *UN Guiding Principles on Business and Human Rights*, and the *Ten Principles of the UN Global Compact*, among other international standards and initiatives. We resolutely prohibit any form of discrimination based on gender, age, ethnicity, nationality, religion, or other social or personal factors. Operating units at all levels are expressly forbidden from employing child labour or engaging in forced labour, thereby ensuring the full protection of human rights.

During the Reporting Period, the Company was not involved in any cases of child labour or forced labour.

Key performance



In 2024, the labour contract signing rate reached

100%



The coverage rate for social insurance and housing provident fund reached

100%

» Diversity, equality and inclusion

Poly Developments and Holdings actively fosters a working environment that respects individuals, promotes fairness, and embraces diversity. We are committed to attracting diverse talent to build an inclusive and innovative high-performing team.

We prohibit all forms of discrimination, harassment, and abusive behaviour. All employees have access to formal and confidential reporting channels to raise concerns about workplace misconduct, including reporting to supervisors or the Human Resources Department, email reporting, and the HR hotline. Upon verification, the Company will initiate internal investigation procedures to address any misconduct. In serious cases, disciplinary actions or dismissal will be imposed. At the same time, we ensure whistleblowers' identity is protected and committing that no employee will face unfair treatment or retaliation as a result of reporting misconduct.

During the Reporting Period, no incidents of discrimination or harassment were identified through self-inspections or whistle-blowing channels.

We pay close attention to the wellbeing and needs of various groups within Poly Developments and Holdings, support employees in times of difficulty, and grow with them.

We attach great importance to the protection of women's rights and interests, actively address challenges faced by them in the workplace, and continually enhance their sense of fulfilment, wellbeing, and safety. Additionally, we have set up mother-and-baby rooms in office buildings to support breastfeeding employees, reflecting a culture of humanistic care.

Data highlights



As of the end of 2024, women accounted for **21%** of employees at the middle management level and above.

» Case — "Glory for Veterans" Initiative Supporting High-Quality Employment for Retired Military Personnel

Poly Property launched "Glory for Veterans" programme in active response to the directives of the CPC Central Committee and the State Council of the People's Republic of China on advancing stability on the six fronts and security in the six areas. Targeting outstanding retired military personnel, Poly Property has established a collaborative mechanism among the Party, Youth League, and Army to maintain a smooth transition channel from "military discharge" to "corporate placement". Based on the employment characteristics of veterans, Poly Property offers tailored job opportunities to veterans. To date, it has provided over 7,000 veterans with high-quality employment opportunities.



"Glory for Veterans" Recruitment Fair Organised by Poly Property

» Talent attraction and retention

Poly Developments and Holdings places great emphasis on talent development and reserves, focusing recruitment efforts on younger and more diverse candidates. We consistently conduct nationwide campus recruitment every year, and our long-term investment in this area leads industry practice. In 2024, in accordance with the unified deployment of the SASAC and Poly Group, we continued to implement the "Poly Partner" campus recruitment programme. Upholding the talent philosophy of "Grow with Talent", we have nurtured a large cohort of employees shaped by Poly Developments and Holdings' values and culture. Nearly 50% of principal executives across our subsidiaries have emerged from the "Poly Partner" programme, which have become a cornerstone of the Company's development. Additionally, we offer inclusive and diverse flexible employment positions across various sectors, including asset management, administration, and customer services within subsidiaries, as well as logistics, catering, engineering supervision, and golf course services.



"Poly Partner" 2024 Campus Recruitment

Key performance



Over the past three years, the Company has maintained an average campus recruitment intake of over **1,000** individuals annually.

»» Case — Building the "Passion for Poly" Employer Brand through Multiple Channels

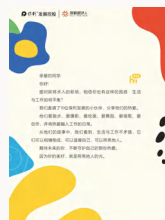
In 2024, to further build the employer brand of Poly Developments and Holdings, we organised promotional campaigns through both online and offline channels.

In terms of online promotion, we centred our communications around the theme "Passion for Poly", successfully launching six editions of the "Poly Collection Plan" campaign and publishing 15 articles under the "Little Passion" series. By releasing the green Poly book and employee feature stories, optimising the user experience of our recruitment portal, and developing the dedicated "Passion for Poly" employer brand webpage, we significantly enhanced our employer brand influence.

For offline events, we held eight small-scale presentations and campus-enterprise networking sessions across four major cities nationwide. Building on the success of the "Asset Management Partner" programme, we introduced the "Marketing Partner" sub-brand to further enrich the campus recruitment employer brand portfolio of Poly Developments and Holdings, enabling more precise engagement with target talent groups.



"Marketing Partner" Recruitment Brand



"Passion for Poly" Employer Brand Manual

Honours and awards



Extraordinary Employers of 2024 in Guangdong



China Best Employer Award 2024
(China Best Employers in Guangzhou)

Key performance



In 2024, Poly Developments and Holdings engaged a total of **2,588** individuals through flexible employment arrangements.

»» Deepening democratic management

Poly Developments and Holdings continues to deepen democratic management practices. We adhere to the *Trade Union Law of the People's Republic of China* and the *Provisions on the Work of Enterprise Trade Unions (for Trial Implementation)*, and have formulated internal systems such as the *Implementation Measures for the Employee Representative Conferences of Poly Developments and Holdings* and the *Implementation Measures for the Work of the Trade Union of Poly Developments and Holdings*. In addition, we have compiled the *Basic Work Manual of the Trade Union* as a practical guide for grassroots labour unions, continuously improving the trade union and employee representative conference mechanisms.

We have established a hierarchical system for the management of trade unions and employee representative conferences, and all our 41 subsidiaries (only including those with more than 100 employees) have established their own employee representative conference. In 2024, we had 19 trade unions and 17 employee representative conferences that completed the election procedures on schedule.

Data highlights



In 2024, **100%** of employees at Poly Developments and Holdings and its subsidiaries were covered by collective contract.

»» Case — Trade Union of Poly Developments and Holdings Successfully Convened the Fourth General Meeting of Union Representatives

On 29 September 2024, the trade union of Poly Developments and Holdings Group Co., Ltd. successfully convened the first session of the Fourth General Meeting of Union Representatives. The Deputy Secretary of the Party Committee and General Manager of the Company attended and delivered a speech. The Deputy Secretary of the Party Committee and Executive Chair of the meeting presided over the session. A total of 112 union representatives attended.

At the meeting, the work reports delivered by the previous Trade Union Committee and the Expenditure Review Committee were heard. Union representatives conscientiously fulfilled their rights and obligations, and elected the new Trade Union Committee and Expenditure Review Committee through differential voting by secret ballot.



First Session of the Fourth General Meeting of Union Representatives Held by the Trade Union of Poly Developments and Holdings

Improving talent incentives

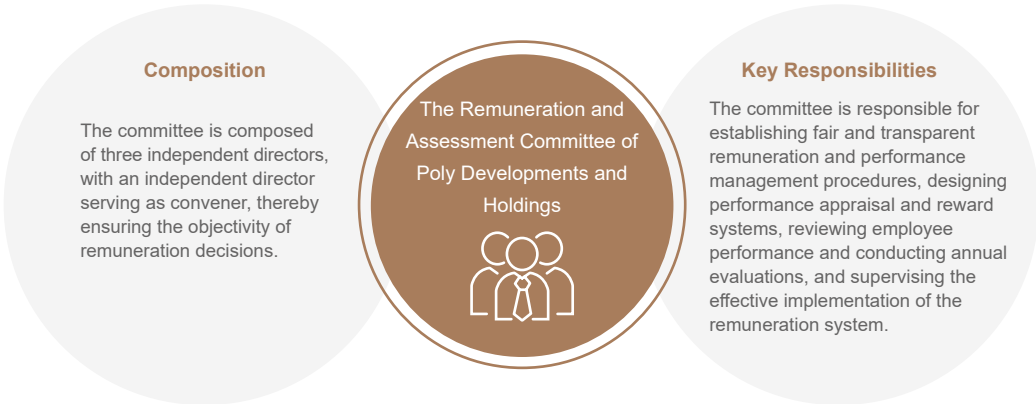
Poly Developments and Holdings adheres to a market-oriented remuneration strategy and builds a fair and scientific compensation system. Employees' fixed remuneration is determined based on a comprehensive assessment of their job grade, experience, capabilities, and the value of their role, while variable pay is strictly linked to both Company performance and individual performance.

Our remuneration allocation mechanism is designed to prioritise those with high contributions, high value, frontline critical positions, and outstanding performance, embodying the principle of differentiated incentives. To support the delivery of key corporate tasks and strategic projects, the Company has established special incentive programmes to reward teams and individuals with exceptional contributions.

» Performance management system

Poly Developments and Holdings has established a comprehensive remuneration and performance feedback mechanism to offer competitive remuneration that attracts, motivates, and retains talent.

At the level of remuneration governance, Poly Developments and Holdings has established the Remuneration and Assessment Committee that reports directly to the Board of Directors, ensuring comprehensive management of key talent and effective advancement of the Company's long-term objectives.



In 2024, the average salary ranges for male and female employees of the same job grade at Poly Developments and Holdings were largely equivalent. Performance-based bonuses were distributed fairly based on performance appraisals at each job level.

» Performance feedback and coaching mechanism

We have established a dual-track and periodic performance feedback and coaching mechanism that covers Poly Developments and Holdings and its subsidiaries. Through proactive communication and targeted guidance, we support the continuous growth of our employees.

Performance Feedback and Coaching Mechanism at Poly Developments and Holdings



Improving employee welfare

Poly Developments and Holdings adheres to the philosophy of "living positively and working happily", and has established a comprehensive welfare system that balances security with care, offering employees tender support and warmth. We also organise a wide variety of cultural and sports activities to promote a healthy work-life balance for employees.

Poly Developments and Holdings has developed a multi-tiered welfare and benefits system comprising three major components: basic security schemes, diversified benefit programmes, and charitable assistance initiatives.



Basic Security Schemes

We make timely and full contributions to the "five social insurances and one housing fund" for all active employees, and provide additional protection through corporate annuities, supplementary commercial medical insurance, and critical illness insurance. In addition, the Company arranges maternity, job stability, work injury, cross-region transfer, and retirement pension plans for employees. Since its implementation in 2012, the enterprise annuity scheme has been operating steadily, benefiting many retired employees with extra financial support in retirement through.

In terms of commercial insurance, the Company offers cost-effective supplementary coverage for employees and preferential additional plans for their immediate family members. In 2024, insurance coverage was further expanded to include new services such as traditional Chinese medicine therapies.

For specific operational settings such as shopping malls and hotels, the Company has taken out public liability insurance for both employees and customers. Meanwhile, the coverage for critical illness insurance has been enhanced, further strengthening employee health protection.

Diversified Benefit Programmes

Poly Developments and Holdings upholds a human-centred philosophy and strives to creating a harmonious, healthy, and comfortable working environment for frontline employees. Based on actual conditions, the Company provides employees with various daily life benefits covering clothing, food, shelter, and transportation, including work uniforms, canteens, staff dormitories, and shuttle buses, as well as paid leave, work meals, holiday gifts, and birthday greetings.

In addition, the Company offers employees child care services by establishing holiday child care centres to ease the worries of dual-earner households about child care during summer holidays.

Charitable Assistance Initiatives

Through the Love Fund of Poly Group and HEAI FUND of Poly Developments and Holdings, we provide annual support and care to employees and their families in times of hardship or illness.

Annual Cultural and Sports Activities

Poly Developments and Holdings focuses on the balance between work and life of employees, and actively organises diversified and rich cultural and sports activities to comprehensively enhance employees' sense of participation, acquisition, belonging and happiness.

Employee training and development

Poly Developments and Holdings is committed to enhancing our employee promotion mechanisms and training systems, providing transparent, fair, and equitable advancement pathways. Through comprehensive training and development resources, we support employees at all levels in achieving their professional growth and development goals.

Indicators and targets

Goals for 2024	Progress Review	Goals for 2025
- Continue to improve employee competence and ensure a coverage rate of employee training of 100% for every year. - Innovate our training methods by establishing a diversified and multi-tiered development platform, thereby providing strong talent support for the Company's growth. - Deepen our talent pipeline building, continuously improve our talent reserve database and conduct internal recruitment to ensure talent supply for key positions.	- In 2024, Poly Developments and Holdings conducted over 37,000 training sessions for employees at all levels, achieving 100% training coverage. - Focusing on "Organisational Capabilities", we conducted four sessions of the "Leader" programme training. Focusing on "professional competence" and "general competence", we rolled out training series such as "Specialist Training", "Poly Partner", "Youth Marxist Class", and "Elite Training". - We conducted a comprehensive survey on young talent across more than 40 subsidiaries, covering over 1,100 employees; - We launched an internal open recruitment process for department head positions at headquarters, effectively enhancing the vitality of our management team.	- Continue to improve employee competence and ensure a coverage rate of employee training of 100% for every year. - Continue to build a more comprehensive and diverse training system, progressively enhancing employees' professional capabilities. - Establish a pool of diversified talents and carry out the construction of talents for key positions.

Talent cultivation

Poly Developments and Holdings places great importance on talent cultivation, closely aligning individual employee growth with the Company's development goals. We aim to enhance individual competencies by continuously developing a multi-level training system. The Company adheres to a talent evaluation system based on politics, performance, competence and driving force, striving to identify high-potential future leaders and build a solid talent pipeline.

Talent cultivation system

Poly Developments and Holdings upholds the leadership of the Party and the principle of the Party's leadership in talent management. Guided by the goal of providing talent, cultural and insight support for corporate development, it has established a comprehensive talent development framework comprising: one competency model, a suite of training programmes, a series of high-quality courses, a team of instructors, and a dedicated learning platform.

Data highlights



In 2024, Poly Developments and Holdings delivered training sessions for employees across all levels through both online and offline channels.

Delivered over 37,000 training sessions for employees across all levels	Of these, 2,064 sessions focused on management and leadership development
Employee training coverage reached 100%	11,654 sessions focused on professional and technical skills
The Company spent a total of RMB 37.14 million on training	Over 23,000 sessions focused on operational and vocational training

Talent cultivation programmes

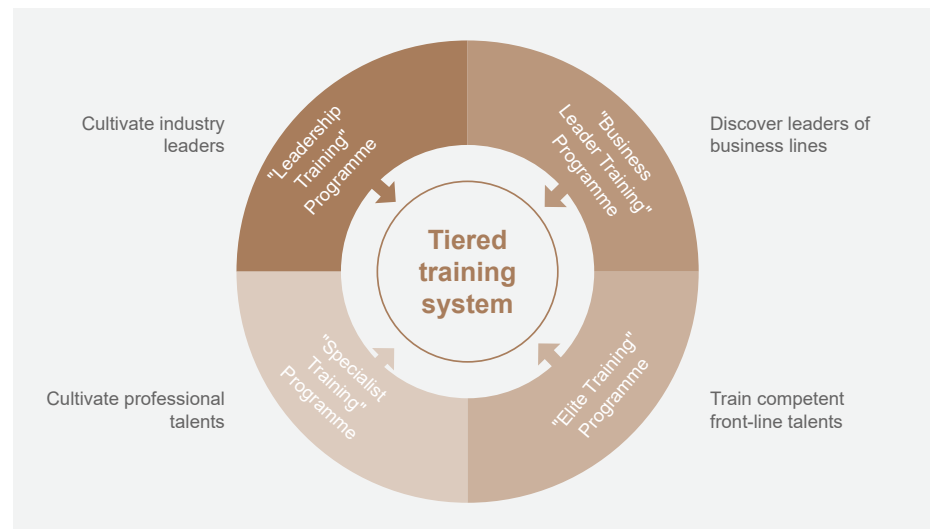
We adopt a hierarchical and categorised course management system based on a mode that integrates online and offline cultivation.

» New Employee Cultivation - "Poly Partner" Talent Cultivation Programme

Through executive forums, mentorship sessions, special training, and quality development activities, we supported new graduate hires from the 2024 intake in integrating into the workplace, the Company, and the industry, facilitating a smooth transition into their professional careers.

» Key Talent Cultivation - Tiered Training System Based on the Training of Talents in Four Levels

The Company relies on the Poly Business School to gradually improve the talent pipeline building system based on the training of talents in "Leadership Training", "Business Leader Training", "Specialist Training", and "Elite Training", with a focus on discovering and cultivating reserve talent.



In 2024, Poly Developments and Holdings implemented a training strategy centrally coordinated by headquarters and executed by subsidiaries. Through the "Leadership Training", "Business Leader Training", "Specialist Training", and "Elite Training" programme tiered training system, we conducted multi-level and multi-type training programmes targeting management personnel, professional and technical staff, and skilled workers.

2024 Tiered Training Programme at Poly Developments and Holdings

"Leadership Training" Programme - Management of Subsidiaries

Using an action learning approach, through the three key steps: interpreting national policies, breaking down annual tasks, and planning system construction, we formulated the goals for improving the organisational capability of subsidiaries, and enhanced the training effect by combining the form of "seminars + lectures". In 2024, a total of 343 attendances of employees received training rotations.

"Youth Marxist Class" and "Business Leader Training" Programme - Young Cadres

Centred on the theme of innovation, 53 participants from the "Youth Marxist Class" engaged in structured training. The programme was integrated with the theoretical curriculum of the fourth "Youth Marxist Class" and included visits to benchmark innovative enterprises, guiding young cadres to apply Party theories in practical work.

"Specialist Training" Programme - Middle Managers

Focusing on a "test-and-training" approach, the programme employs action learning, business simulation, and case studies to cultivate middle managers with business acumen and value creation mindset. A total of 83 participants were trained over the year.

"Elite Training" Programme - Frontline Employees

Subsidiaries were supported in conducting tiered vocational skills competitions for highly skilled employees. The use of competitions to promote training effectively enhanced both technical expertise and practical skills among frontline employees.



Visit by the Second Cohort of "Youth Marxist Class" to GAC Group



"Specialist Training" Programme at Poly Developments and Holdings

Case — Skills Competition Showcases Talent - Poly Developments and Holdings Swept Group General Skills Championship

In 2024, Poly Developments and Holdings successfully hosted the finals of the general category in the first Vocational Skills Competition organised by Poly Group. The Company fielded 30 high-skilled talents in five teams competing in customer service, engineering (electricians), firefighting, Chinese cuisine, and restaurant services. With strong professional foundations and exceptional practical skills, they won championships in all five general categories. Additionally, 18 contestants won first, second, or third prizes, demonstrating the systematic outcomes and leading edge of Poly Developments and Holdings in cultivating skilled talent.



Firefighting Competition



Chinese Culinary Competition



Electrical Skills Competition



Restaurant Service Competition



Online learning platform

Poly Developments and Holdings has established a two-tier training and operation mechanism between headquarters and subsidiaries. Leveraging the Poly Academy and the Poly Business School, we provide comprehensive and multi-level online training support for all employees.

Data highlights



As of 31 December 2024, within the scope of the online learning platform of Poly Business School:

A total of **14,348** courses were made available online

including **2,000** curated courses

Total number of course attendances exceeded **9.49** million

The average annual training time per employee exceeded **54** hours

In 2024, guided by the goal of strengthening professional foundations and practical capabilities, the Poly Business School established a structured learning ecosystem comprising a course system, curated content, and assessments, effectively enhancing employees' professional competencies.

Structured Learning Ecosystem of the Poly Business School

Diversified Thematic Course System

- In alignment with operational needs and learner expectations, a systematic thematic curriculum and learning map framework was developed.

Focusing on core operational areas, we launched a series of thematic courses such as "Advanced Marketing", "Leadership Training", "Stress Management", and "Confidentiality Management". We also developed learning maps for professional development and new employee onboarding, including the *Quality Craftsmanship Learning Map*, the *Asset Management Learning Map*, and the *2024 New Employee Learning Map*.

Curated Course Selection Initiative

- We launched an innovative curated course selection initiative to break down professional silos and distil best practices in management.

Subsidiaries designed, developed, and declared 200 courses centred on specialized operational work such as "Sales Excellence" and "Asset Management", focusing on organisational capacity building, system development, quality improvement, cost reduction and efficiency enhancement, and customer research. Ultimately, 18 outstanding courses and 9 curated course series were selected, forming a highly practical learning resource library.

Professional Basic Skills Test Quiz

- We developed a question bank to assess mastery of professional fundamentals.

The Poly Business School collaborated with relevant centres to administer assessments on engineering, cost, technology, marketing, finance, investment planning, human resources, audit, and asset management. These exams covered tens of thousands of employees nationwide and contributed to a comprehensive question bank. The question bank has been integrated into the managerial selection process, providing strong support for selecting and evaluating middle and senior managerial talent of subsidiaries.

Support for professional learning and certification

Poly Developments and Holdings encourages professional and technical personnel to pursue continuous learning and strengthen their foundational expertise. First, we promote learning through assessment by conducting finance basics and investment plan basics examinations for personnel from Poly Developments and Holdings and its subsidiaries. Second, we foster excellence through evaluation by launching a series of multi-level professional title review processes to build a robust team of professional and technical talent.

In 2024, the Intermediate Professional Title Review Committee for the Engineering Series at Poly Developments and Holdings completed its re-registration. The Company carried out both intermediate and junior title reviews in the engineering series, reviewing 153 title application attendances and approving 138 of them. Additionally, in accordance with the requirements of Poly Group, we organised senior professional title reviews in the fields of engineering, accounting, and economics, completing the review of 150 title application attendances.

Talent development

Poly Developments and Holdings has established scientific evaluation standards and a structured talent development mechanism, deepening tiered training efforts and focusing on the development of young talent. The Company has optimised internal recruitment processes and continually improved its talent reserve database. Through diversified channels such as open selection and job rotation, the Company is broadening development opportunities for employees and ensuring a sustainable supply of talent for key positions.

Talent Standards

Adhering to the principle of the Party's leadership in talent management, Poly Developments and Holdings has scientifically built a competency model, which is effectively applied across key areas such as talent reviews, training and development, and promotion and selection. This provides employees with clear career development direction and growth pathways.

Talent Cultivation

Insisting on providing rich and challenging job opportunities for employees, Poly Developments and Holdings encourages employees to participate in systematic job transfer among different levels, sectors, regions or positions and has established an experience-based cultivation mechanism that is based on the interaction of two levels, so as to increase the breadth and depth of employees' experience and comprehensively improve their abilities.

Talent Selection

Following the principle of "transparency, equality, competition and merit-based selection", Poly Developments and Holdings actively carries out open competition for positions and talent introduction. We continue to optimise and implement internal mobility management mechanisms to fully leverage internal talent resources. Our promotion and selection mechanisms support not only management personnel but also the career development of senior professionals.

• Internal recruitment

During the Reporting Period, Poly Developments and Holdings coordinated internal recruitment efforts across headquarters, real estate subsidiaries, and Poly Property. In November 2024, we conducted an open competition for department head positions at headquarters, resulting in the replacement of approximately one-third of the positions and significantly enhancing management team vitality. The Company plans to expand this competitive recruitment model to all subsidiaries in 2025, further energising the entire organisational system.

• Talent reserves

In 2024, Poly Developments and Holdings launched a research and talent pool development initiative for outstanding young cadres at subsidiaries, with a focus on building a talent pipeline of employees born after 1990 and after 1995. A dedicated research task force was established to carry out a two-month system-wide review across more than 40 subsidiaries, covering over 1,100 young employees.

The task force gathered input from core staff at various levels within subsidiaries and conducted comprehensive evaluations based on day-to-day observations. As a result, young talent pools were established for reserve general managers, leadership teams, and middle managers, reinforcing the Company's talent reserves.

Health and safety

Governance

Poly Developments and Holdings has established a Work Safety Committee (hereinafter referred to as the "WSC"), which adopts a dual-chair structure led by the Chairman and the General Manager (CEO), and holds overall responsibility for health and safety performance. WSC members include the Company's leadership team, the chairpersons and general managers of each subsidiary, and the heads of each centre. Together, they participate in the formulation of health and safety strategies, drive strategy implementation, and oversee performance outcomes, thereby ensuring comprehensive management of the Company's health and safety strategy and performance. The Group's headquarters has set up a dedicated Work Safety Supervision and Management Department (hereinafter referred to as the "Safety Supervision Department"), and requires regional platform subsidiaries to establish corresponding health and safety management structures. These serve as executive bodies to actively manage health and safety strategies and performance.

The WSC formulates annual work safety targets and plans, updates health and safety management policies, and provides guidance and oversight to the Safety Supervision Department at headquarters and the functional departments of safety management of subsidiaries. This enables centralised management of work safety performance. Units at all levels perform their duties in accordance with the requirements of the WSC and report performance regularly, ensuring timely feedback and centralised management.

The WSC convenes work safety meetings on a quarterly basis to deliver the latest national policies and instructions regarding work safety, and discuss the progress of key tasks, the results of inspections and the status of indicators for work safety. Furthermore, each subsidiary regularly convenes working meetings over work safety at all levels according to the requirements of relevant policies and their own business features to deliver every requirement of the headquarters for work safety to their departments and project implementation teams.

Work Safety Committee

- Formulating medium- and long-term work safety plans and defining annual safety work priorities;
- Proposing major policies and strategic directions for the Company's work safety initiatives;
- Being responsible for decision-making and command in relation to the Company's safety management;
- Analysing the Company's overall work safety conditions and addressing major issues arising in safety management;
- Planning, deploying, and supervising the prevention, identification, and rectification of major safety hazards within the Company;
- Conducting regular analysis of the Company's safety conditions and coordinating the resolution of critical safety issues across business units;
- Improving and implementing the safety accountability system, including measures for the investigation and punishment of serious accidents;
- Improving and enforcing a safety performance incentive and penalty system, regularly analysing safety performance across subsidiaries and implementing commendations, rewards, or penalties for relevant individuals.

Director

Chairman

- Assuming the overall responsibility for the Company's work safety;
- Implementing policies, laws, regulations and other requirements from the state or the superiors regarding work safety;
- Listening to reports on work safety and studying and arranging for key tasks in work safety;
- Supervising and urging for the establishment of institutions as well as the appointment of personnel in charge of the supervision and management of work safety;
- Taking the performance of cadres on work safety into the consideration for their appraisal, selection and appointment;
- Supervising and urging for the assumption of responsibility for work safety by other heads of Poly Developments and Holdings;
- Supervising and guiding the fulfilment of tasks in work safety by centres and subsidiaries under his/her management and institutions with which he/she serves as the liaison.

General Manager

- Assuming the overall responsibility for the Company's work safety;
- Implementing policies, laws, regulations and other requirements from the state or the superiors regarding work safety;
- Establishing, improving, and implementing the work safety accountability system for all staff, organising the formulation, revision, and implementation of work safety systems, and approving Company-level safety management documents;
- Organising the formulation and implementation of education and training plans for work safety;
- Organising and implementing a dual-prevention mechanism of hierarchical safety risk control and hazard identification and rectification, supervising and inspecting work safety efforts, and eliminating safety hazards in a timely manner;
- Ensuring that the investments in work safety will play an effective role;
- Organising the formulation and implementation of the emergency plan for work safety incidents;
- Promptly and authentically reporting on work safety incidents and reviewing and approving the Company's opinions on handling work safety incidents;
- Supervising the fulfilment of tasks in work safety by centres and subsidiaries under his/her management and institutions with which he/she serves as the liaison.

Strategy

In 2024, Poly Developments and Holdings comprehensively launched the *Implementation Plan for the Three-Year Action Plan for Fundamental Safety Enhancement*, taking "management iteration + technological innovation" as the core strategy, systematically promoting the transformation and upgrading of work safety, and focusing on realising the "three transformations": standardised safety management, sustainable hazard remediation, and ingrained safety culture, so as to achieve the "2-zero" targets of zero liability accidents and zero major hazards, and create a benchmark for the industry's work safety.

Three-Year Action Plan for Fundamental Safety Enhancement (2024-2026)

2024 Year of Hazard Remediation	2025 Year of Foundation Reinforcement	2026 Year of Efficiency Enhancement
3 supporting measures	3 key areas, 25 specific tasks	2-zero targets
- Organisational mechanism support - Operational mechanism support - Performance assessment and incentive support	- Standardised safety management - Sustainable hazard remediation - Ingrained safety culture	- Zero liability accidents - Zero major hazards

The Three-Year Action Plan aims to achieve three fundamental shifts in work safety through systematic efforts over three years: from short-term "treating the symptoms" to long-term "treating the root cause", from reactive responses to proactive prevention, and from traditional management to intelligent control. Ultimately, a model work safety system with industry-wide demonstrative value will be developed, laying a solid safety foundation for the Company's high-quality development.

Key performance

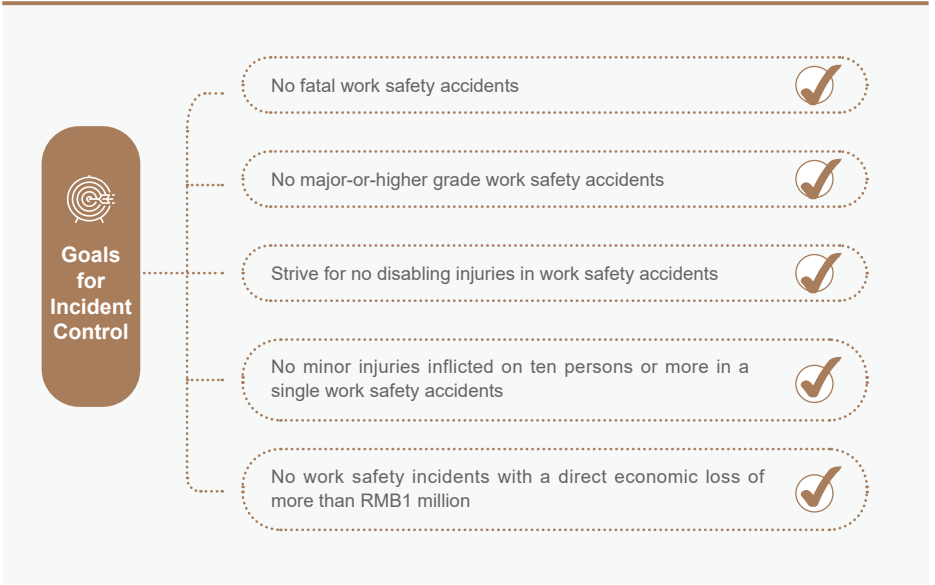


In 2024, Poly Developments and Holdings invested over RMB **2.134** billion in work safety initiatives.

Indicators and targets

Goals for work safety

We remain committed to achieving the targets of "zero liability incidents and zero major hazards" and advancing safety management towards greater standardisation, precision, and intelligence—ensuring a safe and reliable working environment for employees and contractors' personnel. In 2024, the Company maintained a stable and improving safety performance, with no major or severer work safety incidents reported throughout the year.



We have established a preventative health and safety indicator system covering contractors. In 2024, over 42,000 training sessions in work safety were conducted for contractors' personnel, with more than 720,000 attendances of training participants including all employees and contractors' employees. We achieved 100% health and safety training coverage for all employees and contractors' employees.

Impacts, risks, and opportunities management

Safety system development

To enhance safety management capabilities, the Company has established a work safety management system spanning Group headquarters, subsidiaries, and project levels. Through the development of standardised systems, accountability implementation, and continuous improvement, we have advanced standardisation, systematisation, and efficiency in safety management across business sectors. We have integrated safety management into our business operations to safeguard sustainable and steady growth.

In 2024, the Company continued to strengthen the development of a work safety system by revising, formulating, and implementing key documents, including the *Safety Management System*, the *Engineering Management Measures*, and the *Comprehensive Emergency Plan for Work Safety Incidents*. Based on national laws and regulations, we are progressively establishing enterprise-level work safety standards to enhance our leadership and exemplary role within the industry.

Poly Developments and Holdings references occupational health and safety management systems (e.g. GB/T 45001-2020, ISO 45001:2018) to standardise and regulate safety management across all business sectors. During the Reporting Period, subsidiaries such as Poly Property, Fuli Construction, Poly Commerce & Tourism Development, Zhonggong Architectural Design Institute, Poly Events, and Poly Health maintained valid ISO 45001 Occupational Health and Safety Management System Certificates. These entities also conducted regular internal reviews and external audits in accordance with the management system requirements.



Work safety accountability system

Poly Developments and Holdings has formulated health and safety management policies such as the *Work Safety Accountability System* for All Staff and the *Safety Management System*. These policies form a comprehensive safety management system that covers centres of the headquarters and subsidiaries, as well as project-level operations. These policies are equally applicable to all contractors working with the Company. Contractors are required to strictly comply with the policy requirements and implement all necessary health and safety measures to protect the wellbeing of their workforce.

To ensure effective implementation of these policies, the Company has established a health and safety audit mechanism, which regularly evaluates the health and safety practices of both centres and contractors. Audit content includes implementation of safety management systems, provision and use of safety equipment, and the adequacy of safety training for employees. For any issues identified during audits, remediation notices are issued in a timely manner. Responsible parties are required to complete corrective actions within a specified timeframe, with follow-up reviews conducted to ensure the closure of issues - forming a closed-loop management process.

Each year, the Company organises all subsidiaries to sign Responsibility Statement for Work Safety for the year. These agreements are signed from the level of the Chairperson of the WSC down to frontline project teams, clearly defining annual safety objectives and performance assessment requirements. Work safety performance is linked to organisational performance and the compensation and performance appraisal of executives. A quantified assessment system has been established, which includes indicators such as accident incidence rate and hazard rectification completion rate. Workplace safety is regarded as a key performance evaluation indicator, with organisational performance assessment results directly linked to the level of variable compensation.

In 2024, Poly Developments and Holdings introduced a safety assessment mechanism for its subsidiaries. Positive indicators, including lean construction site evaluations, recognition in Group safety and quality activities, national-level awards, and significant contributions to specialised standards, are used to identify excellence and establish a reward system. Conversely, negative indicators, such as the occurrence of Category I and II safety issues and the "a veto mechanism" for safety incidents, are used to highlight underperformance and strengthen accountability. These robust assessment measures have motivated personnel at all levels to proactively improve their work safety performance.

In 2024, the Company launched a safety system inspection mechanism across subsidiaries. The requirements of the safety management system were incorporated into the headquarters' annual supervision and inspection programme, as well as quarterly and monthly inspections at the subsidiary level, reinforcing standardised management. Throughout the year, the Company refined inspection checklists for the construction, property and commercial management sectors, integrating policy and standard requirements into the tools. Follow-up reviews were conducted on the inspection results of each subsidiary, and significant issues were reported at WSC meetings.

Contractor safety management

We have integrated contractors into the unified management framework by requiring signing Responsibility Statement for Work Safety, enforcing strict safety access controls, and implementing on-site supervision. These measures establish a comprehensive safety responsibility network, ensuring full accountability among contractors for work safety:



- Development projects are required to sign work safety agreements and responsibility statements with contractors, clearly defining safety management duties by position. Contractors must establish safety management structures, appoint safety management personnel, develop operational procedures and standards, and implement performance assessment and accountability mechanisms;
- Since 2024, the Company has introduced the Work Safety Management Agreement for outsourced service providers in property management projects, such as swimming pool operations and pipeline maintenance, and incorporated the agreement into contracts. These agreements clarify the safety responsibilities of outsourced parties and incorporate their safety performance into safety management.



- Safety management is incorporated as a red-line criterion for supplier access, implementing strict control under the principle of "one breach leads to universal restriction";
- The Company standardises safety access procedures by rigorously enforcing "three levels of penetration" (legal entity, management team, and upstream/downstream resources) to ensure that suppliers possess a sound safety management framework, qualifications, and relevant credentials, and strictly verifies the safety conditions of subcontractors before site entry to ensure compliance with safety standards;
- The Company enhances digital management by flagging suppliers with serious safety issues of Category I in the system (red alert), restricting cooperation until rectification is complete. Suppliers responsible for major safety incidents are added to a blacklist.



- Fuli Construction promotes a daily inspection mechanism of "morning inspection and evening closure". Combined with the Group's "cloud inspections" and on-site checks, the mechanism covers all ongoing projects and shifts safety management from passive compliance to proactive management;
- We extend the safety management system to the project team level, requiring the team leader to implement the system to each work link and operator, and eliminate the obstacles and loopholes in the grass-roots implementation to ensure that the safety management covers to the very end.



- The Company strictly enforces the standards for subcontractor safety assessments and penalties, with zero tolerance for violations;
- By implementing rigorous assessments and stringent accountability measures, the Company reinforces contractors' awareness of their work safety responsibilities, ensuring the practical implementation of safety requirements.

Key performance



In 2024,

- Subsidiaries of Poly Developments and Holdings, in accordance with the *Law of the People's Republic of China on Work Safety*, signed dedicated work safety management agreements with contractors, or clearly defined work safety responsibilities within the contract terms;
- Fuli Construction ensured that **100%** of its subcontractors signed a *Responsibility Statement for Work Safety* for all ongoing projects.

Occupational health and safety

The Company always prioritises employee occupational health and safety, strictly adhering to the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and referencing the standards of the Occupational Health and Safety Management System. Comprehensive identification and prevention of occupational hazards are fully implemented. Based on job-specific conditions, the Company establishes occupational health records for employees, conducts regular testing of occupational hazard factors, and provides standard personal protective equipment to ensure full coverage of occupational health management. Additionally, the Company disseminates knowledge on occupational disease prevention through themed lectures, brochures, and online courses, effectively raising employees' self-protection awareness and capabilities.

Occupational Health and Safety Management System of Poly Developments and Holdings

Target for Health Management

» Create a zero-injury working environment, prevent occupational diseases, and safeguard employees' physical and mental wellbeing.

Tracking Indicators

» Work injury rate, incidence of occupational diseases, employee physical examination coverage rate, and occupational health training completion rate.

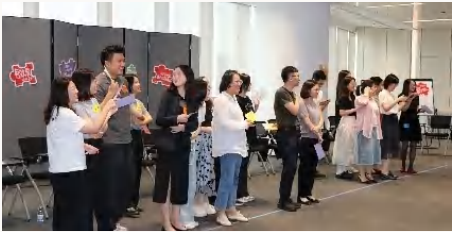
Health Promotion Projects

» **Supplementary Medical Insurance Plan:** The Company offers comprehensive health protection for employees, covering routine medical care, critical illness, and accidents, alleviating their financial burdens from medical treatment;

» **Employee Assistance Programme:** The Company provides psychological support through mental health seminars and stress management courses, helping employees maintain emotional wellbeing.

Case — Emphasising Mental Health - A Range of Measures to Help Employees Alleviate Stress

Mental Health Training: In response to employee needs, a "Self-Discovery" training series was organised, including workshops such as ACT and Stress Management Workshop, Strengths Identification Workshop, and Personality and Communication Workshop, to help employees identify their strengths, unlock potential, and improve efficiency.



On-site mental health workshop

Key performance



The coverage rate for employee occupational safety and health records reached

100%



The employee physical examination coverage rate reached

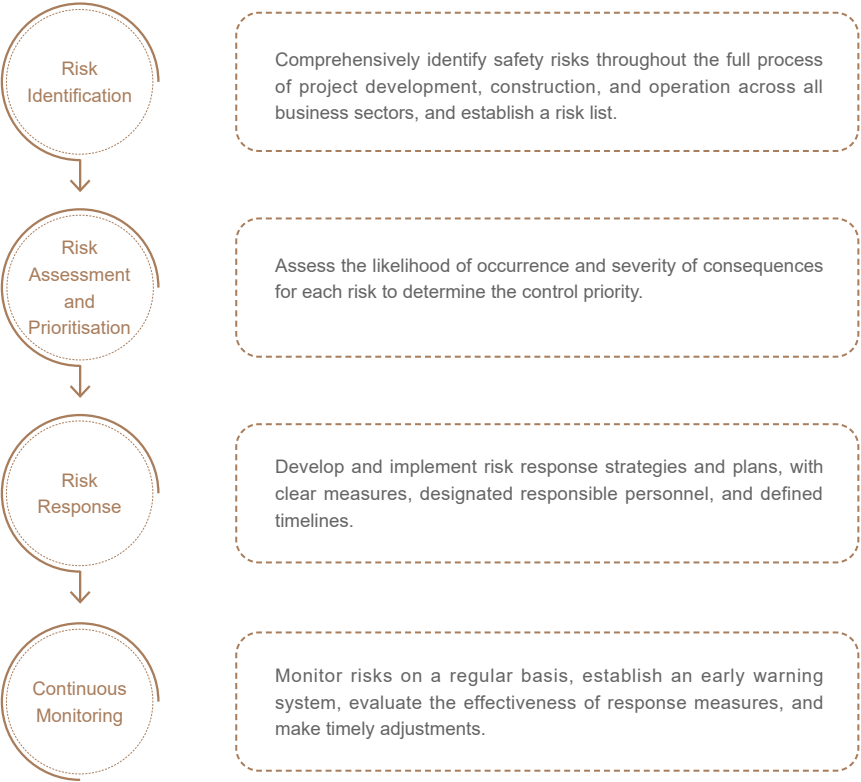
100%



Building safety management capabilities

Enhancing safety management capabilities is essential for achieving the Company's work safety goals. The Company has built a comprehensive safety management system across all business sectors by strengthening safety risk control, hazard identification and rectification, and normalised emergency management. We have established a comprehensive and systematic safety risk management mechanism covering four key stages: risk source identification, risk assessment and prioritisation, risk response, and continuous monitoring. This ensures that safety risks are effectively managed throughout the full lifecycle of development, construction, and operation across all business sectors.

Safety Risk Assessment Process of Poly Developments and Holdings



Step 1: Risk Identification

Key Risk Maps for Poly Developments and Holdings' Business Segments

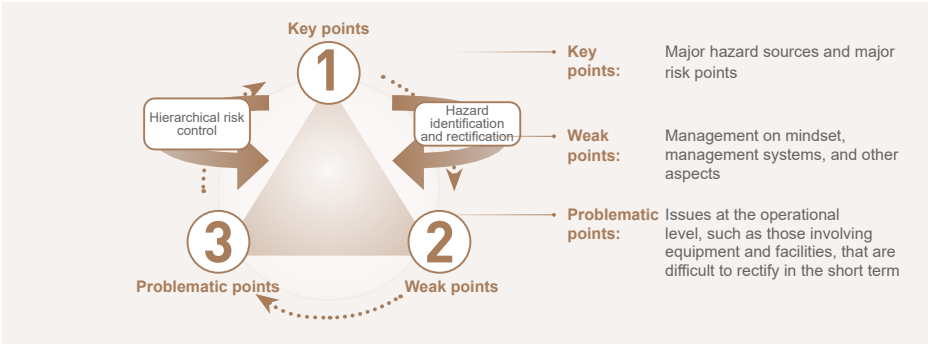
Business Segment	Key Safety Risks
 Construction and development	Falls from height, object impact, structural collapses, mechanical hazards, electric shock
 Property services	Fire safety, fuel gas, lift hazards, facade-related falls from height, confined spaces
 Commercial and hospitality	Fire hazards, food safety, crowd stampedes, kitchen fires, gas leaks, crowd control and counter-terrorism protocols

Step 2: Risk Assessment and Prioritisation

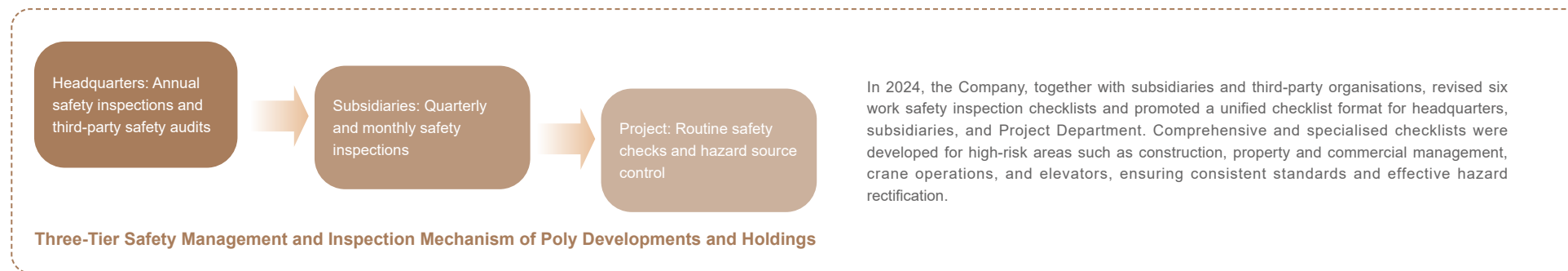
The Company applies a combined qualitative and quantitative approach to assess identified risks, determine risk levels, and establish prioritisation, and thereby classifies risks into high, medium, and low levels, ensuring that resources are allocated to the control of high-priority risks.

Step 3: Risk Response

Focusing on key points, weak points, and problematic points of safety management, the Company has established a "dual-prevention mechanism" comprising hierarchical risk control and hazard identification and rectification, ensuring that risk response measures are both effective and targeted.



Hierarchical risk control



Progress of Special Remediation Programmes in 2024



➤ Electric Bicycle Safety Remediation

Remediation Content: We strengthened ground coordination mechanisms, organised relevant centres and Poly Property to improve design standards and management guidelines for electric bicycle parking and charging areas, and coordinated cross-departmental safety remediation efforts.

Annual Progress: We incorporated control standards into the annual work safety inspection, carried out spot checks and re-inspections, and promoted property companies to upgrade the electric bicycle charging areas across property communities.



➤ Ledger Management for Special Equipment Inspection

Remediation Content: Due to the high safety requirements for crane operations and elevators, the Company improved work safety inspection checklists and implemented comprehensive ledger-based management of special equipment, especially cranes and elevators, in line with national regulations and internal enhancement goals.

Annual Progress: In 2024, the Company commissioned third-party agencies to conduct three rounds of full inspections covering 2,357 tower cranes and 2,726 construction hoists, with unqualified equipment strictly prohibited. For elevators, inspections covered 46,299 lifts and 929 escalators across all phases, ensuring strict issue resolution tracking.



➤ Supervision of Old Residential Communities

Remediation Content: Headquarters initiated inspections of old residential communities. Poly Property developed a "Long March Plan" for facility upgrades, implemented three-year enhancement programmes for fire safety and elevators, and established standardised inspection and full-chain engineering management mechanisms.

Annual Progress: The headquarters completed supervision and inspections of legacy projects in six cities across five regions, issued analysis reports and formulated action plans, followed by internal dissemination.

Hazard identification and rectification

The Company adopts a "headquarters supervision + third-party inspection" model, achieving full-chain safety management across suppliers, procurement, design, construction, delivery, maintenance and operation. Third-party inspections fully cover construction, property management, commercial operations, and all construction projects. Spot checks span nine categories: residential buildings, office, malls, hotels, apartments, exhibitions, sports venues, eldercare, and education. A third-party fire safety inspection was organised for all handover-ready projects to address any residual fire system issues, achieving 100% coverage.



Performance highlights



» Step 4: Continuous Risk Monitoring

The Company continuously monitors safety risk dynamics across business sectors through digital tools and standardised surveillance mechanisms to ensure risks remain controllable.

Inclusion of Contractors in Metrics

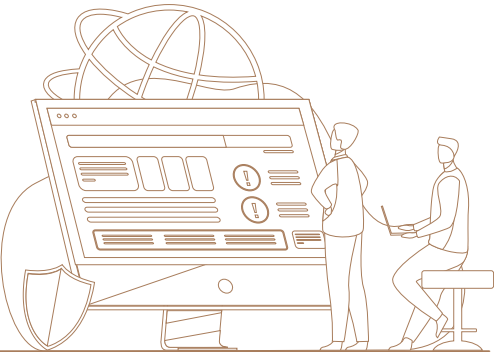
Contractors are fully integrated into health and safety performance metrics and evaluated using the same standards as employees to ensure comprehensive and accurate data.

Leading Indicator Monitoring

The Company closely monitors leading indicators such as safety training coverage rate and hazard rectification completion rate to ensure effective health and safety performance management.

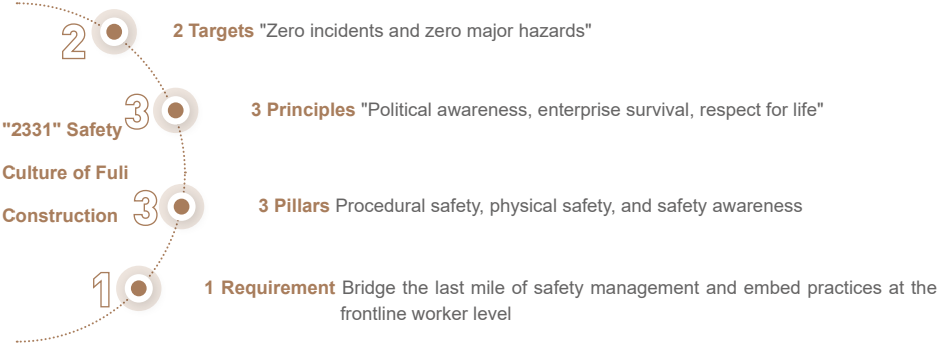
Training Coverage Monitoring

The Company tracks health and safety training coverage across all employees and contractor personnel involved in projects to ensure awareness and competency enhancement.



Assiduously fostering safety culture

Safety culture is the cornerstone of sustainable corporate development. We are committed to fostering a culture in which "everyone pays attention to safety, and everything is done for safety", promoting a shift from "being told to be safe" to "wanting to be safe", and embedding safety as a conscious action among employees and contractors alike. In 2024, Fuli Construction promoted its "2331" safety culture framework to strengthen internalisation of safety values.



Safety training and awareness

To ensure workplace health and safety, the Company has established unified health and safety training standards for both employees and contractor workers, ensuring consistent quality and content.

- **Training Objects:** All project management members, operational personnel, and new employees must complete pre-job safety training. Training records are reviewed periodically.
- **Training Content:** The training includes basic courses such as safe operating procedures, emergency response methods, and use of protective equipment, as well as specialised training tailored to different roles and project characteristics.
- **Training Coverage:** In 2024, the health and safety training coverage of all employees and contractors' employees reached 100%, with monthly statistics on training completion to ensure no omission.

Routine safety culture

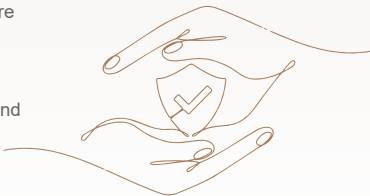
- **Certified Operations:** The Company requires employees engaged in specialised tasks to be duly certified, ensuring all personnel operate in compliance with safety standards;
- **Safety Briefings:** Daily safety briefing is conducted to reinforce safety awareness and operational protocols, ensuring every worker understands safety requirements;
- **Safety Meetings:** Project managers attend weekly safety meetings to review practices and promote continuous improvement;
- **Safety Education:** Monthly safety discussions are held with work teams, focusing on raising safety awareness and embedding a safety-first mindset at the grassroots level.

Performance highlights



In 2024,

- more than **42,000** training sessions in work safety were conducted for employees and contractors personnel
- covering over **720,000** attendances of employees and contractors personnel
- health and safety training coverage reached **100%** for both employees and contractors' employees.



Safety culture promotion

The Company promotes safety culture through various channels, including special training, safety competitions, lean management awards, counterexample education, and regular sharing of the information about work safety.

Case — 10th Safety Knowledge Competition

From June to July 2024, the Company hosted the 10th Safety Knowledge Competition under the principle of "learning through competition". The event covered chairpersons, general managers, and safety managers from all subsidiaries across construction and property and commercial management sectors. A total of 3,659 participants from 42 subsidiaries took part. Winners were commended during the Q3 WSC meeting, helping to set safety benchmarks and inspire learning enthusiasm.



On-site Safety Knowledge Competition



Safety Knowledge Competition Poster

Case — Lean Construction Site Evaluation Activity

In 2024, the Company launched a lean construction site evaluation initiative. Headquarters provided a platform for best practice exchange, continuously iterating on effective management and technical methods to promote both safety and quality improvements. In January 2024, the Company compiled the Collection of Lean Construction site Best Practices based on prior evaluation results, featuring 82 exemplary practices.



Collection of Lean Construction site Best Practices

From September to December 2024, the evaluation was carried out using a methodology combining third-party assessment, expert on-site review, and consolidated presentations. A total of 44 construction projects from 31 subsidiaries participated.

Performance highlights



In 2024, numerous subsidiaries were recognised as safety excellence units, with various projects winning safety awards:

Construction Projects: The Company received **2** national-level, **34** provincial-level, and **42** municipal-level awards under the title "Model Projects for Safe Construction Practices".

Property and Commercial Management Projects: The Company received **1** national-level, **12** provincial-level, and **24** municipal-level honours, including "National Youth Safety Demonstration Post" and "Model Community for Safety Culture".

Enhancement of the Value Chain Foundation

Provision of quality products and services

Governance

The Board of Directors is ultimately responsible for the provision of quality products and services by Poly Developments and Holdings. The Management, in coordination with the Product Management Centre, the Operations Management Centre and Poly Property, Fuli Construction, Poly Harmony and other subsidiaries, implements the Company's requirements of high-quality development strategy, providing customers with a better life, better products and better services, and systematically promoting the orderly and effective implementation of the work on products and services, customer satisfaction, responsible marketing, information security and privacy protection.

Strategy

We take a holistic approach throughout the entire project lifecycle—from design and development to construction—ensuring comprehensive consideration of design concepts, material quality, and building safety to deliver high-quality and secure products to our clients. We have established a customer service system that spans pre-sale, in-sale, and post-sale phases, and developed a customer risk prevention and control framework. Regular engagement activities are organised to enhance the customer service experience. We conduct responsible marketing by ensuring that all marketing content is truthful and reliable. We also strengthen training for marketing personnel to protect consumer rights and enhance our brand image and corporate responsibility. An information security management framework has been put in place, supported by relevant systems and policies to safeguard data security and customer privacy. We are implementing practical measures for data protection and privacy and gradually laying the groundwork for data right confirmation.



Indicators and targets

Goals for 2024	Progress Review	Goals for 2025
Obtain more ISO 9001 quality management system certificates continuously.	Subsidiaries such as Poly Property, Fuli Construction, and Poly Commerce & Tourism Development were granted ISO 9001 quality management system certificates.	Obtain more ISO 9001 quality management system certificates, improve quality inspection scores, and expand inspection coverage continuously.
Conduct customer satisfaction surveys regularly, with overall satisfaction maintained at a high industry standard.	In 2024, the Company's overall customer satisfaction rate was 86%, reaching an excellent level within the industry.	Conduct customer satisfaction surveys regularly, with overall satisfaction maintained at a high industry standard.
Ensure that the timely closure rate of complaints about products and services reaches 85% and the closure rate reaches 95%.	The timely closure rate of complaints about products and services reached 86% and the closure rate reached 96%.	Ensure that the timely closure rate of complaints about products and services reaches 85% and the closure rate reaches 95%.
Provide responsible marketing training for each marketing employee.	100% of sales and marketing personnel received responsible marketing training.	Ensure that 100% of sales and marketing personnel receive responsible marketing training.
Ensure no customer privacy leakages.	No customer privacy leakages occurred.	Ensure no customer privacy leakages.

Impacts, risks, and opportunities management

High-quality products and services

» Product quality management system

Poly Developments and Holdings upholds the standards of ISO 9001 quality management system and has established a quality management system spanning the entire lifecycle of various property types, including commercial housing, subsidised housing, and commercial real estate. To ensure delivery of safe, healthy, and high-quality products, the Company combines internal quality audits with external quality assessments to maintain strict quality control. In 2024, to promote the normalisation of quality management, Poly Developments and Holdings implemented a "project self-inspection, regional inspection, and headquarters spot check" model, and formulated the Engineering Quality Management Measures to further enhance product quality.

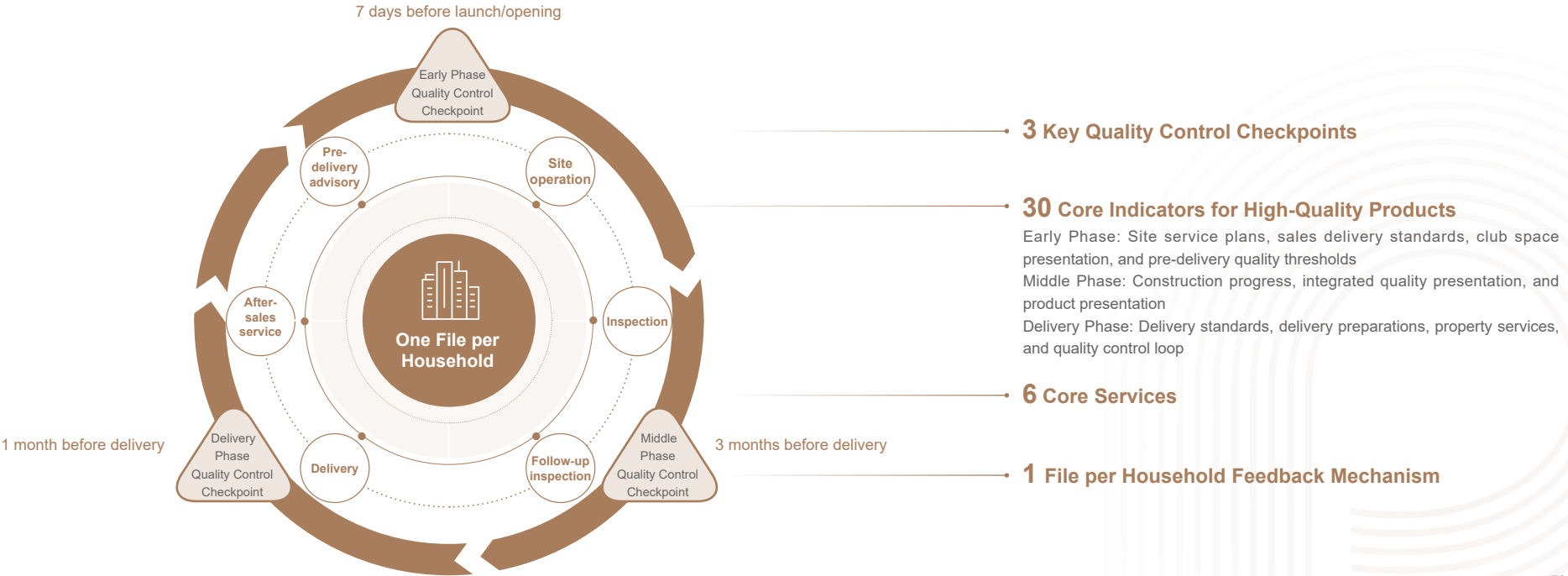
The Company actively encouraged subsidiaries to pursue ISO 9001 quality management system certificates. During the Reporting Period, ISO 9001 certificates for subsidiaries such as Poly Property, Fuli Construction, Poly Commerce & Tourism Development, Zhonggong Architectural Design Institute, Poly Events, and Poly Health remained valid, with both internal and external audits conducted in accordance with the system requirements.



We emphasise the importance of implementing the PDCA cycle to enhance product quality management. In 2024, we refined 286 quality management guidelines and used comprehensive quality inspections to uncover potential issues and areas for improvement. Based on inspection results, targeted remediation plans were developed. Through repeated PDCA cycles, product quality continuously improved. In 2024, quality inspections were carried out on key construction projects, with average scores rising by 15 points compared to the previous year.

In 2024, Poly Developments and Holdings encouraged subsidiaries to establish product or service execution frameworks tailored to their specific business characteristics, elevating quality management to a strategic level. Based on the "6866 Quality Service System", Poly Property has innovatively created a "361 Lean Quality Assurance System" with Poly characteristics in the field of product quality control.

361 LEAN QUALITY ASSURANCE SYSTEM



» Quality risk prevention

Poly Developments and Holdings attaches great importance to developing its product quality evaluation system and fully implements internal quality review and third-party quality assessment, establishing a whole-process system covering quality supervision, evaluation, and assessment. To offer users high-quality products with refinement and precision, the Company has set up an internal control mechanism and emergency plan to promptly respond to unexpected product quality problems.

Quality Risk:

Internal Quality Review and Third-Party Quality Assessment

Poly Developments and Holdings' internal quality review covers multiple phases, including project design, construction, completion and delivery. The Company has set up a strict performance assessment mechanism for product quality. Various professional groups jointly inspect the construction process and final quality to form a closed loop for solving quality problems. Furthermore, Poly Developments and Holdings has joined hands with Poly Property to conduct inspections and complete relevant quality assessment and control before product delivery.

Delivery Risk:

Multi-dimensional Completion and Delivery Risk Prevention Mechanism

Poly Developments and Holdings commissions professional third-party teams to assess all phases of construction across ongoing projects, establishing a comprehensive third-party assessment system covering civil engineering, fine decoration, delivery, and whole-process material spot checks. Unannounced inspections are adopted for the construction process inspection and assessment to enhance the authenticity of quality assessment outcomes.

Each business unit develops and implements tailored mitigation measures for identified product or service-related risks. In property management, Poly Property focuses on providing high-quality property management services, applying a "Three-Dimensional Standardisation" system in the implementation of service standards, and supported by an expert panel including university professors and senior industry professionals to improve service quality. In project construction, Fuli Construction has established a quality management system, performing a routine approach of project self-inspection, regional inspection, and headquarters spot check, ensuring strict quality control, and safeguarding product quality from multiple angles.

» Case — Poly Property: Embedding the Brand Connotation of "Four Seasons Elegance" into Service Delivery

The Chengdu Poly Kangqiao project revolves around the brand core of Four Seasons Elegance, which refers to elegance. The service that can vividly represent the word "elegance" is placed in every aspect of daily community life, continuously refreshing the living experience of homeowners with seasonal landscapes, fragrant community, and smart and convenient services. The project has achieved a satisfaction rate of over 90 points and a collection completion rate of over 95%.

- **Seasonal landscapes:** The project's landscaping design fully considered plant type and growth height, with precision standards for pruning height, angle and frequency, ensuring a tranquil and elegant park experience year-round.
- **Fragrant community:** The environment is scented with floral and fruity notes. A fog system and ambient lighting were added to the artificial lake area, creating an immersive and pleasant return-home journey.
- **Smart and convenient services:** In 2024, a facial recognition entry system was renovated, integrated with in-home video intercoms to achieve "zero delay, zero wait" entry, with a commitment to respond to homeowner needs within five minutes. A collaborative issue-resolution system was also established between "steward" and "responsible department" to improve the efficiency of communication, feedback, and resolution of homeowner needs.

The Chengdu Poly Kangqiao project has received multiple honours, including "Standardised Property Management Project of Chengdu" and "Warm-Hearted Property Management Demonstration Project of Chengdu", along with over 120 banners and 60 letters of appreciation from residents.



Landscape of Chengdu Poly Kangqiao



Automatic Door Opener at Chengdu Poly Kangqiao

» Employee/supplier product quality management training

To create more credible products with higher quality, the Company provides quarterly training in product quality for employees and high-risk suppliers. In 2024, by organising a series of product quality and safety training in various forms, such as publicity campaigns and quality management knowledge competition, the Company aimed to ensure that suppliers and employees deeply understood the importance of product quality and safety, mastered relevant skills, and acquired necessary knowledge.

Data highlights



As of the end of 2024:

product quality and safety training sessions
conducted for employees and suppliers totalled
42,384 sessions

with a total of **727,427** attendances of
participants

Product quality control training conducted reached
40 times a year



Enhancement of customer satisfaction

Poly Developments and Holdings consistently regards customer feedback as an asset for business growth. The Company has formulated and implemented regulations and systems such as the Measures on Customer Relationship Management to proactively respond to customer needs. At the same time, Poly Developments and Holdings conducts comprehensive satisfaction surveys, efficiently operates call centres, and improves customer complaint closed-loop management mechanisms to deeply analyse customer needs and provide accurate management optimisation suggestions for various business sectors, thereby ensuring continuous improvement and enhancement of service quality.

» Customer complaint management

Poly Developments and Holdings places great importance on customer feedback and has established systems such as the Measures on Customer Relationship Management and the Business Management Rules for the National Call Centre to standardise response and address customer concerns proactively.

Smooth complaint channels

Customers can provide feedback and consult through various channels, such as calling, letters, e-mails, the official WeChat account, and the WeChat mini programme.

Standardised complaint management

Efforts have been made to ensure that the national call centre provides services featuring zero-delay arrangements, "contacting customers within 8 hours", and 100% revisit and provide customers with more considerate, convenient, and intelligent services. South China Subsidiary has adopted a service pledge of "response within 30 minutes, solution delivered to the door within 24 hours", aimed at addressing quality maintenance and property service issues swiftly.

Key indicator management

To effectively improve customer complaint management, the Company monitors the timeliness of reporting information, customer response efficiency, timely resolution rate of maintenance requests/complaints, satisfaction rate of maintenance requests/follow-ups, and early warnings of complaints in real time.

» Customer satisfaction survey

The Company conducts regular customer satisfaction surveys, and has commissioned professional third parties to carry out customer satisfaction surveys for 13 consecutive years. In 2024, the customer satisfaction survey focused on the entire service process, accurately capturing customer feedback on products and services to inform future enhancements.

Multi-channel surveys:

The Company adopted various survey formats in line with modern customer preferences, including online, SMS, and calling. The questionnaire response rate ranked among the highest in the industry.

Different respondents:

The Company collected comprehensive evaluations across nine key stages for four distinct groups—prospective owners, owners in the initial adjustment period, owners in the stabilisation period, and long-term owners—to ensure the completeness and accuracy of the survey.

Survey indicators:

Based on the owners' unique experiences at different phases, the Company has elaborately designed questionnaire indicators from various perspectives, such as product quality, design concept, and service capacity, to hear the most authentic voice.

Closed-loop survey management:

To improve the quality of products and services and meet customers' expectations, the Company has included the results of customer satisfaction surveys in its performance assessment system to ensure that every suggestion from owners can be integrated into the relevant management.

» Case — Building a "Three-Dimensional Standardisation" Management System

To dynamically identify best practices throughout service delivery and strike an optimal balance between contract fulfilment, customer satisfaction, and operational efficiency, in 2024, Poly Property established a "Three-Dimensional Standardisation" service quality management system from the perspectives of the customer, lean operations, and compliance.

Data highlights



In 2024,

Poly Developments and Holdings recorded

220,000 customer complaints

Decreased by

10% from 2023

Residential projects of Poly Property received a third-party satisfaction rate of

88%

Customer satisfaction at Poly Commerce & Tourism Development exceeded

90% for commercial projects

Hotel customer review score of

94.2

Commendation rate of

93.74%

Responsible marketing

» Responsible marketing management system

The Company strictly complies with the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, the *Advertisement Law of the People's Republic of China* and other laws and regulations, and has formulated policies such as the *Sales Management Measures* and the *Management Measures of Poly Developments and Holdings on Organisation of Customer Relationship System and Relevant Business*, setting clear implementation standards for marketing management on information disclosure, regular inspections, and training. Based on the established top-down governance system covering the entire process of responsible marketing, the Company adopts a two-tier management model featuring headquarters and subsidiaries to ensure that all business departments engage in the process covering residential selection, contract signing, delivery, and occupancy.

Headquarters

Responsibilities: The headquarters' Management and its real estate management centre formulate and issue relevant systems, measures, and detailed rules for responsible marketing and ensure the smooth implementation of relevant measures by making efforts to guide, track, execute, and inspect;

Tracking management: The real estate management centre corrects deviations concerning the marketing conducted by subsidiaries, ensures that the marketing process features integrity and compliance, and safeguards market order and the Company's image.

Subsidiaries

Close collaboration: A subsidiary's professional lines, such as marketing, customer relationship management, development, technology, engineering, and cost control, jointly conduct responsible marketing and ensure that the responsible marketing systems and measures created by the headquarters are effectively implemented through close collaboration;

Daily management: To ensure the efficiency and compliance of marketing, the subsidiaries integrate the concept of responsible marketing into their daily work and regularly report the progress and achievements of relevant work to the headquarters;

Performance assessment: The assessment requirements on responsible marketing have been included in the performance assessment system for subsidiaries and related departments to boost the implementation and influence of responsible marketing.

Poly Harmony: Establishing a Two-Tier Structure Featuring Headquarters and Subsidiaries

Poly Harmony adheres to the principle of responsible marketing, ensuring accountability and safeguarding consumer interests. A two-tier structure featuring headquarters and subsidiaries is in place, requiring subsidiaries to self-inspect and remedy their responsible marketing practices for different projects under the supervision of subsidiary management.

In 2024, Poly Harmony conducted on-site inspections at 32 subsidiaries, covering 218 projects. Feedback on potential risks was promptly provided and remedied in collaboration, ensuring responsible marketing practices were implemented.

Two-Tier Management Model Featuring Headquarters and Subsidiaries



» Information transparency

Sales Phase

Information disclosure walls are installed in places, such as entrances of sales offices, exhibition areas for housing models, and sample rooms, for the public to have access to detailed information, including project key points, unfavourable factors inside and outside the red line, and environmental factors.

Contracting Phase

The Consumer Notice covers relevant housing information. During the Reporting Period, the payment risks part of the Housing Purchasing Tips was updated and clarified. Sales personnel are required to provide customers with risk warnings during the subscription phase, guide customers to sign with their real names, and ensure that every customer is informed.

Delivery Phase

The delivery process of some projects became transparent due to open days of construction sites and live streaming of construction processes.

» Case — Poly Harmony: Providing Services Rooted in "Professionalism, Warmth, and Trust"

Poly Harmony revised the Tianyue Renhe Service Manual and the Sales Quality Service Management Measures under the service ethos of "Professionalism, Warmth, and Trust". These documents set standards for sales image, communication, and full-process customer service—from invitation to visit, subscription, signing, and delivery.



Poly Harmony's Sales Representative Serving Customers

● Six "1" Standards in sales reception

In 2024, Poly Harmony implemented the Six "1" Standards in sales reception across 400 projects nationwide. Standards include: One set of standardised sales scripts and process flow, one standardised customer follow-up mechanism, one complete sales toolkit, one outstanding trainer and manager, one standardised video introduction, and one SOC inspection tracking form. Sales personnel rigorously adhered to these service standards, serving every customer with dedication.

Smart name tags

In 2024, Poly Harmony rolled out smart name tags across frontline sales teams in 41 pilot projects nationwide. These smart name tags reduced manual input errors in customer records. Their recording and playback functions also enhanced presentation quality and sales performance.

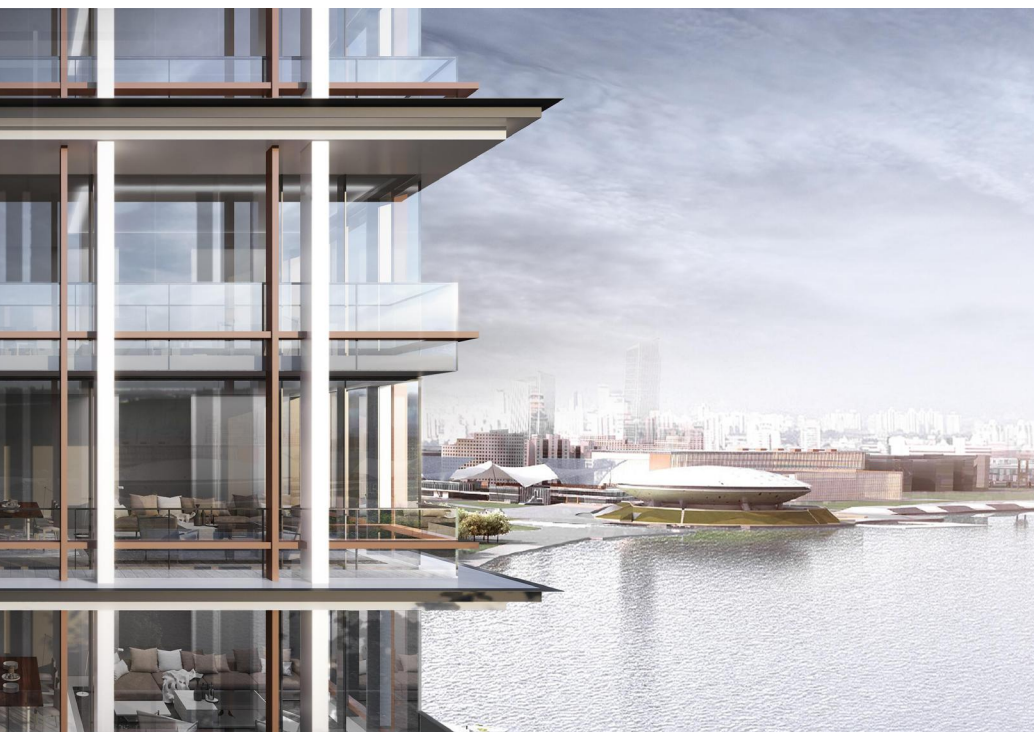


Functional Overview of Smart Name Tags

» Evaluation and oversight

To ensure that subsidiaries implement the relevant requirements for responsible marketing in a standardised manner, Poly Developments and Holdings has set up a special inspection mechanism, pays third parties to conduct unannounced inspections and surveys every two months, and independently assesses the marketing quality and risk control of frontline marketing teams. To avoid unsuitable publicity, third parties, serving as unannounced customers, will record a salesperson's expressions in detail, such as commitments on supporting matters and project advantages, and then score them.

Additionally, the Company has continuously enhanced the honest marketing management for collaborative sales agencies. To further implement the management of responsible marketing, integrity selling provisions are included in contracts with collaborative sales agencies specifying that inspection results provided by unannounced consumers serve as evidence for rewards and punishments.



» Training and publicity

Poly Developments and Holdings furthers the application of relevant systems and responsible marketing philosophies through the implementation of detailed rules and regulations and ensures that relevant subsidiaries conduct responsible marketing voluntarily via feedback mechanisms. The Company places strong emphasis on marketing personnel training and value alignment, offering responsible marketing training through a variety of formats including professional evaluation systems, Poly Business School courses, irregular marketing assessments, and best practice sharing sessions. After training, sales personnel are requested to protect customers' privacy and safeguard their right to know during the sales process, to avoid falsehoods and excessive publicity, to truly deliver relevant project information, and to foster a credible and pleasant environment for customers. Poly Developments and Holdings requires all frontline marketing staff to sign the Integrity Commitment Letter. In 2024, the signing rate reached 100%.

» Case — Poly Harmony: Responsible Marketing Training

Poly Harmony focuses on improving responsible marketing capabilities and raising employee risk awareness through ongoing training for all business unit staff. Training content covers legal education, case studies on misconduct, inspection risk alerts, internal policy briefings, and reminders of marketing red lines, reinforcing employees' compliance awareness and risk management capabilities, and adhering to the bottom line of marketing activities.

- **Thematic training:** Specialised legal training on litigation for four lines was delivered to deepen understanding of responsible marketing and compliance among business staff, reduce disputes, and improve efficiency and quality in case handling.
- **National publicity:** Compliance publicity sessions were organised nationwide for business staff. Legal experts were invited to interpret various criminal offences and analyse real-life legal cases and their judgements, equipping frontline employees with the legal knowledge to address common real estate issues.

Performance highlights



In 2024, **100%** of the Company's sales and marketing personnel received responsible marketing training.

Safeguard of consumer information security

Poly Developments and Holdings attaches great importance to customer privacy and information security, strictly abides by laws and regulations such as the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*, and combines with the *Implementation Measures on the Responsibility for the Network Security Work of the Party Committees (Party Leadership Groups)* issued by the General Office of the CPC Central Committee to formulate the *Confidentiality Management Measures* and the *Information-based Management Measures*.

To improve information security management comprehensively, the Company has established a Confidentiality Committee and its Office to lead and coordinate the implementation of confidentiality work. The Committee regularly identifies and assesses information security risks, laying a solid foundation for enterprise data security. In addition, we have adopted a range of protective measures, including the implementation of a stringent internal management system, regular information security training, and audits of information systems, to ensure effective protection of all commercial secrets, including customer information, thereby creating a secure and reliable information protection environment.

Regulated use of internal communication tools:

All daily communication and document transmission must be conducted via the Company's internal communication systems. It is strictly prohibited to share any sensitive information via public social media platforms.

Enhanced data security management requirements:

Monitoring and auditing are applied in all stages of data, including collection, storage, use and destruction, and data is protected through a tiered classification approach according to sensitivity.

Strengthened information security construction:

The Company regularly organises information security training, and participates in national cybersecurity campaigns, data backups, cyberattack defence drills, and information security posters to safeguard customer privacy and enhance overall information protection.

Data highlights



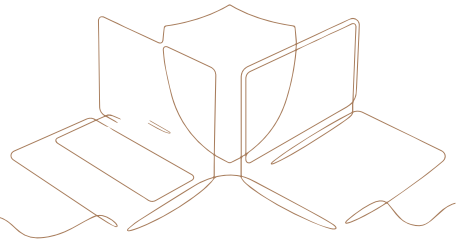
In 2024, the Company recorded **no** data security incident and **no** incident of customer privacy leakage.

In 2024, the Company recorded **zero** safety incidents during national cybersecurity exercises.

In 2024, the Company did **not discover** any medium- and high-risk security vulnerabilities and achieved its security assessment goals.

In 2024, both the Company's Yunhe+ system and Fangxiaobao distribution management system received China's national Level 3 Cybersecurity Classified Protection Certification, and all information systems **passed** the public security bureau certification. Poly Property had **11** systems certified under the Classified Protection Scheme and registered with the relevant public security authorities.

To ensure the safety of information systems, the Company, based on the latest national protection standards of network security grades and ISO 27001 Information Security Management System, conducted filing and assessment for network security grades of its core systems in a concentrated manner. By organising internal attack and defence drills, we, based on simulated scenarios of cyber attacks, have noticed potential information security risks in advance, and promptly taken measures for repair and closed-loop management, improving our capacity for information security and responding to emergencies, and further strengthening our defence line of information security.



Supply chain and industry development

Governance

Poly Developments and Holdings has established an effective supply chain management structure. The Company has formed a Cost and Procurement Committee responsible for centralised review of relevant matters in line with development strategies, planning, and internal systems, providing decision-making references for the Company's Party Committee, the Board of Directors, and the General Manager's Office Meeting.

The responsibilities of the Cost and Procurement Committee (hereinafter referred to as the "Committee") include:

- Reviewing matters and materials related to cost and procurement management that submitted to the Committee.
- Reviewing matters and materials related to headquarters' supplier sourcing and prequalification, tender evaluation and award, supplier management, and overall supply chain management.
- Attending meetings and providing independent review opinions.

Strategy

Poly Developments and Holdings integrates ESG factors into its supplier management mechanisms, advancing supplier evaluation and due diligence to ensure supply chain security and stability. We are committed to working with upstream and downstream partners to incorporate ESG considerations into supply chain practices, supporting a green transformation across the value chain. We also ensure fair participation for SMEs, treat them equally, and promote the industry's sustainable and high-quality development.

Indicators and targets

Goals for 2024	Progress Review	Goals for 2025
• Establish a nationwide supplier information management platform; • Promote centralised management of key supplier categories at headquarters and create a preferred supplier database; • Promote integrity management continuously and ensure that 100% of suppliers sign the <i>Integrity Agreement</i>.	• Launched the "Hezhu" Supply Chain Information Management Platform to build a unified national supplier database, develop online supplier profiles, and implement a closed-loop management cycle of "selection - engagement - evaluation - retention - elimination"; • Established six preferred supplier databases for engineering categories, enrolling 620 preferred suppliers, of which 250 (approximately 40%) were externally sourced; • Eliminated 13,000 suppliers from an existing pool of 36,000, held a supplier discipline briefing, disqualified 39 suppliers with serious compliance violations, and investigated cases involving misconduct and intermediaries; • The <i>Integrity Agreement</i> was included in all supplier contracts and cooperation agreements. Among current suppliers, the signing rate reached 100%.	• Implement supplier training and support programmes; • Establish the Poly Digital Intelligent Supply Chain Trading Platform to comprehensively drive the digital transformation of the supply chain, achieve the management goals of the "Five Centres," optimise the entire process, empower the supply, and enhance its efficiency; • Adopt a "headquarters-to-headquarters" model with material suppliers and implement "unified contract signing, procurement, and payment", thereby empowering suppliers through efficiency enhancement and cost reduction.

Impacts, risks, and opportunities management

Supplier management

Poly Developments and Holdings adheres to the purchasing principles featuring openness, equality, and equity, vigorously seeks opportunities for cooperation with outstanding suppliers, and makes the whole supply chain more competitive by building a long-term governance mechanism for suppliers. We require all suppliers to obey applicable laws and regulations in their regions and work with them to integrate the ESG principles with business management in practice, including the prohibition of child labour and forced labour, health and safety, environmental conservation and compliance, information security and privacy protection, and integrity management. We make efforts to establish long-term and stable partnerships, keep the supply chain highly transparent, and bolster the synergy between relevant links to jointly develop in a sustainable way.

Full Lifecycle Supplier Management

Access Review

Supplier Access Approval System focuses on three key phases:

1) Qualification pre-screening: Use "Corporate Penetration" to verify mandatory indicators, including licences, certifications, and creditworthiness;

2) Field survey: Conduct "Team Penetration" and "Key Resource Penetration" to assess the quality of ongoing projects, team capabilities, and supply chain resources;

3) Access approval: Use a dual-level approval system, build a unified national supplier database under the centralised organisation of the headquarters' Product Centre, and adopt standardised screening processes and the "Three Penetrations" mechanism to ensure suppliers meet standards in qualifications, contract performance, and resource support, while mitigating monopolistic risks.

Contract Performance Evaluation

A three-level evaluation framework based on QDCS (Quality, Delivery, Cost, and Service) has been established. A "3+1" evaluation model is used via the online platform including milestone review, regular assessment, ad hoc evaluation, and objective indicator assessment.

Based on assessment results and decisions of the General Manager's Office Meeting, the person responsible for managing suppliers takes the lead in performing dynamic and hierarchical management on suppliers. Top-performing suppliers are included in national/ regional preferred pools and incentivised, while poorly performing suppliers are eliminated immediately, thereby continuously optimising the supplier pool and the supply chain quality. This system of standardised evaluation, graded control, and survival-of-the-fittest has significantly enhanced the effectiveness of contract performance management over suppliers.

Blacklist Management

Through the Company's "Three-Major-One-Large" decision-making mechanism, five categories of severe violations, such as major quality and safety incidents, negative social impacts, or material losses, are identified as criteria for blacklisting (including major accidents, malicious litigation, and unauthorised withdrawal from projects). Suppliers placed on the blacklist are banned from participating in national-level cooperation with the Group, thus, a firm red line in supplier management is established.

Contract Signing

The *Integrity Agreement* was included in all supplier contracts and cooperation agreements. Among current suppliers, the signing rate reached 100%.

Daily Supervision

- The Company regularly supervises and manages suppliers, communicates with them smoothly, requests all suppliers to take anti-corruption measures and audit plans, clearly states integrity management requirements to them, and regulates collaborative projects.
- To ensure the smooth development of a project, efforts have been made to conduct identification, early warning, screening, and elimination of potential environmental and social risks.
- The Company regularly checks all suppliers' certifications of ISO 45001 occupational health and safety management system, and ISO 14001 environmental management system.
- Unannounced inspections and spot checks on projects and product samples are carried out to ensure that compliance requirements on safety and environmental protection are fulfilled.

A comprehensive assessment system has been set up, including instant assessment during contract fulfilment, annual concentrative contract fulfilment assessments, and assessment of suppliers' objective indicators. Based on comprehensive evaluation results of suppliers, suppliers are categorised as Grade A (Excellent), B (Good), C (Qualified), or D (Unqualified). Suppliers scoring below 60 or ranking lowest are subject to forced elimination, while Grade A suppliers are eligible for incentives. In this way, product quality improvement is promoted across the Company.

Data highlights



In 2024, Poly Developments and Holdings conducted full-spectrum contract performance assessments of all active suppliers.

During the Reporting Period, the Company upgraded the digital enabled online operations throughout the purchasing process, enabled online operations throughout the purchasing process, and aggregated purchasing data of differing business areas, aiming to make purchasing more transparent across the board and promote the high-quality development of supply-demand relations.

A targeted, effective tiering system was implemented for suppliers at different levels.

Tiered Supplier Management



Direct suppliers (contractors) are required to conduct self-assessment and self-correction. Meanwhile, Poly Developments and Holdings adopts an internal "QCDS" cooperation assessment framework, covering quality, cost, delivery, and service. Internal staff evaluate suppliers/contractors across these dimensions and audit their production and construction processes. Professional third-party organisations are also engaged to conduct systematic reviews of the supplier management process.



In terms of supplier access, Poly Developments and Holdings conducts penetrating management for tier 2 suppliers to strictly control the access for suppliers at all levels. Tier 1 suppliers are required to thoroughly review tier 2 suppliers' qualifications, supply stability, construction experience, and overall service capacity. The Company organises integrated quality inspections and engages professional external agencies to audit the production facilities and construction processes of indirect suppliers.



The Company engages authoritative third-party testing institutions to carry out regular spot checks on materials provided by suppliers to ensure that relevant raw materials meet the national regulations as well as agreed-upon technology and quality standards.



Supplier Type	Definition by Poly Developments and Holdings	Quantity
Strategic Suppliers	Suppliers that have signed long-term cooperation agreements (two to three years) and are currently within their contract period.	1,488
Critical Suppliers	Suppliers with high contract values or having a critical impact on product quality.	3,496

Supplier empowerment and support

The Company holds supplier conferences and specialist training programmes on a regular basis to continuously improve suppliers' management competence and technical skills. The training sessions cover key ESG topics, such as quality control and work safety, and are designed to enable suppliers to understand and implement sustainable development strategies better.

Case — Discipline Management Awareness Training for Suppliers

To strengthen supplier discipline management and ensure efficient, standardised operation of the supply chain while safeguarding mutual interests, Poly Developments and Holdings organised a discipline management awareness training for suppliers of centralised procurement in November 2024. The training attracted over 30 suppliers of centralised procurement and nearly 70 representatives. It significantly enhanced supplier service levels, boosted confidence in cooperation, and further strengthened partnerships within the supply chain.



Discipline Management Awareness Training for Suppliers

Data highlights



Poly Developments and Holdings organised annual product quality training across all supplier types, reaching **100%** coverage.

Leading industry development

To promote diverse industry development, we actively participate in forums and conferences, deepening exchanges and gaining insights to fuel corporate innovation.

Data highlights

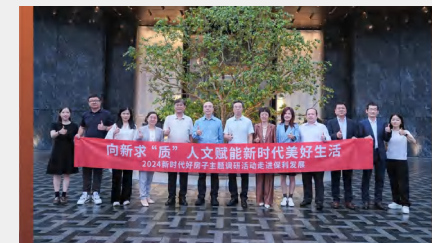


Poly Developments and Holdings actively engages in industry initiatives to promote sustainable development, raise industry standards, and demonstrate its social responsibility and influence. In 2024, Poly Developments and Holdings hosted:

52 quality press conferences

7 government visits

12 industry visits



Government Visits



Industry Visits



Quality Press Conferences

Poly Developments and Holdings and its subsidiaries proactively participate in industry standard-setting efforts, taking the lead or contributing to drafting various industry specifications.

Participation of Poly Developments and Holdings in Standard-Setting

Association/Organisation	Standard Name
China Real Estate Association	Green Low-Carbon Housing Standard
Beijing Municipal Commission of Housing and Urban-Rural Development	Technical Specification for Application of Precast Concrete Insulated Sandwich Wall Panels
Chinese Society for Urban Studies	Sustainable Zero Carbon Community Evaluation Standards
China National Engineering Research Center for Human Settlements	Standard for Module Coordination of Residential Kitchen
China National Engineering Research Center for Human Settlements	Standard for Module Coordination of Residential Bathroom
Guangdong Stainless Steel Materials and Products Association	Stainless Steel Pipes for Indoor Water Supply

Case — Poly Capital: Supporting the Development of Corporate Venture Capital (CVC)

As a founding member of the Guangdong Asset Management Association, Poly Capital actively collaborated with industry peers and initiated the first Corporate Venture Capital (CVC) Committee in 2022, regularly organising closed-door meetings to share research, operational insights, and industry investment strategies. Leveraging its extensive experience in industrial empowerment, Poly Capital collaborated with the ZeroIPO Research Centre to release the *2024 Report on the Development of CVC-Driven Industrial Empowerment Services*. Poly Capital fully draws on its strengths in strategic investment and resource integration to drive industrial upgrading through tech-oriented investment, contribute to regional economic development through industry layout, and propose a collaborative ecosystem model. It offers a structured reference for CVC and other investment institutions to build integrated investment management and empowerment systems, promoting long-term industry stability.

Case — Zhonggong Architectural Design Institute: Actively Participating in Industry Technology and Standards Development

Zhonggong Architectural Design Institute plays a leading role in the formulation of industry standards. In 2024, it led or contributed to the setting of 16 standards, including 1 provincial, 2 municipal, and 13 group standards. As chairman unit of the Engineering Survey and Monitoring Branch of the Guangdong Engineering Exploration & Design Association, the Institute hosted the 2024 Monitoring Technology Exchange and Greater Bay Area Rail Transit Engineering Forum in November under the theme "Empowering with New Quality, Ensuring Safety", to share technical insights.



Advancement of Social Inclusion

Promotion of business innovation and service for economic development

Poly Developments and Holdings aims to drive sustainable development by innovating business models for products and services and optimising production and operational processes. Through these efforts, we help enterprises grow sustainably, create new drivers for regional economic growth, promote employment, improve living standards, and contribute to the overall prosperity and sustainable development of the real estate industry.

Indicators and targets

Goals for 2024	Progress Review	Goals for 2025
• Focus on "Core Cities + City Clusters" continuously, intensifying efforts in key national development regions to support high-quality regional economic development and transformation.	• Poly Developments and Holdings has actively applied innovative construction and fit-out technologies in the Yangtze River Delta and the Guangdong–Hong Kong–Macao Greater Bay Area to promote real estate transformation.	• Focus on "Core Cities + City Clusters" continuously, intensifying efforts in key national development regions to promote the green and sustainable transformation of cities.
• Explore innovative ways of flexible and comprehensive use of urban land and achieve intensive and diversified utilisation of land resources through rational planning and efficient management.	• The Company promoted construction of subsidised housing, Transit-Oriented Development (TOD), and public infrastructure projects to improve urban spatial layouts.	• Explore innovative ways of flexible and comprehensive use of urban land and achieve intensive and diversified utilisation of land resources through rational planning and efficient management.
• Facilitate urban renewal and focus on the protection and inheritance of historical and cultural heritage.	• In recent years, Poly Developments and Holdings has undertaken urban regeneration projects, including dilapidated town renewal, city redevelopment, and restoration of historical districts, revitalising deteriorated areas through scientific planning and thoughtful design.	• Facilitate urban renewal and focus on the protection and inheritance of historical and cultural heritage.

Serving regional economic development

Poly Developments and Holdings is committed to serving the high-quality development of regional economy and aligns with national strategies such as the *Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area* and the *Outline of Regional Integrated Development Plan for the Yangtze River Delta*. Focusing on "Core Cities + City Clusters", the Company advances land integration and industrial planning in these regions.

By fostering mutually beneficial partnerships with local governments, Poly Developments and Holdings actively participates in and supports industrial transformation and upgrading as well as public service improvements across northern and eastern China via active exploration of opportunities for cooperation. It strives to promote the process of urbanisation, contributing to balanced regional development and enhanced urban capacity and wellbeing.

»» Case — Contributing "Poly Power" to Enhancing Cities' Overall Competitiveness

Over the past two decades, Poly Developments and Holdings has remained deeply rooted in its commitment to national strategies and urban planning requirements. Centring on real estate and related businesses, it provides diverse services to all relevant parties in Beijing and Shanghai, supporting the orderly and harmonious development of the cities.

📍 In Beijing, we:

Urban governance

Pioneered the "benchmark factory" model, and delivered high-quality services to over 15 million visitors and more than 50,000 households across hundreds of public, residential, and commercial office projects in Beijing.

Long-term rental apartments

Firmly implemented the policy of encouraging both housing purchase and renting, and built various types of subsidised housing covering an area of 1.293 million square metres accumulatively. Over the past five years, we have built 1,251 talent-oriented public rental apartments and developed and operated 7,717 long-term rental apartments.

Eldercare

Stayed true to the service philosophy of "peace of mind, heartfelt care, and warm support", and adopted an integrated healthcare and eldercare model to build a high-standard "Poly Model" that leads the industry. This marks a new chapter in the development of eldercare services in China.

📍 In Shanghai, we:

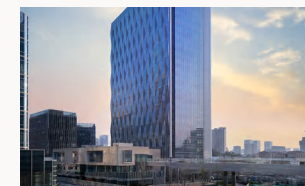
Provided high-quality services to nearly 10 million visitors and over 60,000 households across hundreds of public, residential, and commercial office projects in Shanghai.

Actively expanded our long-term rental apartment business, with 11 locations already in operation in Shanghai, offering over 3,000 apartments. These efforts support young people working in Shanghai in achieving their dream of secure and comfortable living.

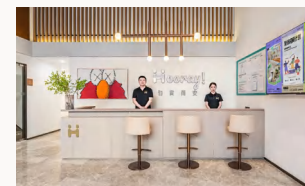
Launched travel-based eldercare business in Xitang, Shanghai, and cultivated a cohort of eldercare service professionals through an "industry-education integration" model, contributing to the advancement of eldercare services across the Yangtze River Delta region.



Property Services at Shanghai Gucun Park by Poly Developments and Holdings



Tongzhou Poly Metropolitan



Poly Heyu Project



Heyue Chunfeng



Poly Shanghai Hexihui Eldercare Centre



Future Science City

Poly Developments and Holdings is committed to advancing public service facility construction, supporting community governance, continuously optimising urban functions and spatial layout, improving residents' quality of life, and building a full-cycle regional economic service model of the Company.

Case — Innovation Empowers the Construction of the Greater Bay Area and Leverages Poly's New Quality Productive Forces

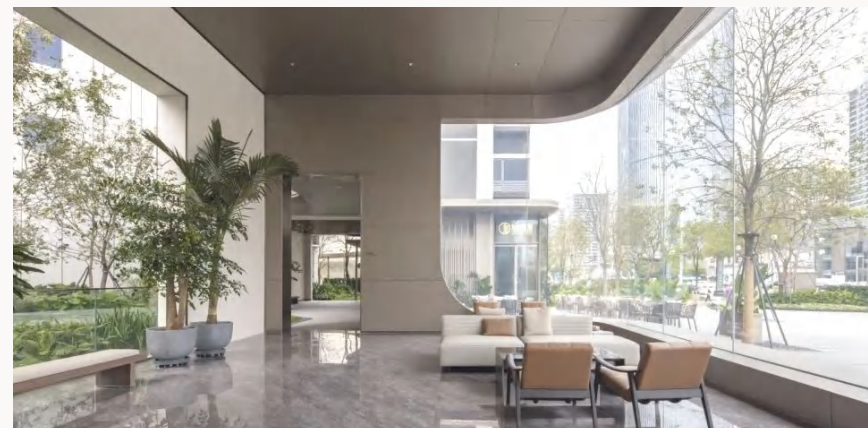
Poly Developments and Holdings actively supports the *Guangdong–Hong Kong–Macao Greater Bay Area Development Plan*, developing new quality productive forces to empower high-quality development of the Greater Bay Area with comprehensive strength covering the entire industry chain, committing to becoming an innovative enterprise based in the Greater Bay Area and empowered by technology, and growing together with the Greater Bay Area.

● DFC technology

DFC (Digital For Construction) is an innovative design management model that integrates architectural design, quality management, and digital asset oversight. Compared to traditional models, DFC improves construction efficiency and enhances quality and productivity in engineering projects. In recent years, the Company has applied DFC to major projects in the Greater Bay Area such as Dongguan Poly Hesong Garden, significantly shortening design timelines and achieving quality targets like zero rework and seamless alignments, delivering human-centred, competitive high-quality products.

● Science-led industrial advancement

Poly Developments and Holdings continuously invests in research and development of new technologies, processes, materials, and models to build a future-proof real estate business model in the Greater Bay Area. R&D outcomes of Poly Developments and Holdings have been successfully transformed and implemented across construction processes. Application scenarios include but are not limited to: MEP innovation replacing traditional systems, dry-fit finishes, prefabricated steel structures, integrated bathrooms, improved same-floor drainage to lower the risk of water seepage and leakage, upgraded precast slab hanging technology to reduce noise, zinc alloy entry doors to enhance durability, and smart sanitary ware replacing manual flush toilets for enhanced product experiences.



Dongguan Qingneng Heyue Chunfeng Project – Design Rendering vs. Reality

Industry chain innovation

Poly Developments and Holdings is building an integrated real estate ecosystem across the industrial chain, connecting upstream and downstream sectors and accelerating the growth of new quality productive forces.

Industrial transformation and innovation-driven growth

In April 2024, Poly Developments and Holdings released the *2023–2024 China Real Estate Industry White Paper*, providing strategic guidance on its transformation into a provider of infrastructure services with new quality productive forces in the "Era of Quality". From regional layout, product formats to supply chain technology innovation, service output, and other aspects, the White Paper provides hardware support and software services for new quality productive forces, continuously promoting high-quality social and economic development.

Poly Developments and Holdings' Transformation Direction in the "Era of Quality"

High Quality

Product quality is the core driver of future development:

Starting from customer needs, Poly Developments and Holdings focuses on premium locations, layouts, building performance, shared spaces, landscaping, smart home systems, intelligent communities, and property services to deliver green, healthy, safe, smart, and comfortable products.

New Technology

Empowering the full lifecycle of development, operation, and service:

The "AI Smart Home" improves living experience and creates new demand. AI enhances space use for greater safety, health, convenience, and environmental friendliness.

AI empowers the entire industrial chain to drive higher quality and efficiency. "AI-assisted Design" improves design efficiency and reduces safety risks. "AI + Smart Construction" ensures visible quality and traceable process and inspections. "AI + Asset Operation and Maintenance" improves energy management efficiency and supports low-carbon operations.

Better Services

Comprehensively enhancing quality of life:

Poly Developments and Holdings is actively transforming into a provider of infrastructure services with new quality productive forces, promoting next-generation, diversified real estate formats and driving technological innovation and green, low-carbon transformation across the construction value chain. The aim is to provide enterprises and residents with more efficient services.

Industrial resource allocation

Poly Developments and Holdings leverages its advantages by focusing on green and low-carbon industries and emerging technologies. Through strategic resource allocation and integration, it supports supply chain partners in reducing carbon emissions and improving efficiency, contributing to the high-quality development of strategic emerging industries.

Case

Poly Capital: Driving Green Transformation of the Industrial Chain around Strategic Goals

In 2024, Poly Capital initiated planning for a strategic emerging industries fund, aiming to support Group-led growth in green environmental protection, new materials, and new energy, and assist in promoting the development of strategic emerging industries related to the Group.

By focusing on green and new energy sectors, Poly Capital will actively identify investment opportunities along the industrial chain. Leveraging equity investment, it will encourage partners and upstream and downstream businesses to pursue energy-saving and emission-reduction initiatives, targeting emissions reduction and enhanced environmental performance at every phase of the chain.

Comprehensive land use

Subsidised housing projects

Housing is a fundamental issue tied to livelihoods and development. Subsidised housing construction is a core strategy to meet citizens' basic housing needs. To this end, the CPC Central Committee and the State Council are actively advancing structural reforms in the real estate sector and exploring innovative development models. As a responsible central SOE, Poly Developments and Holdings responds actively to national policies by providing not only commercial housing but also low-cost subsidised housing to address supply gaps and fulfil its social responsibility. This effort demonstrates the Company's commitment to serving the public.

As of 31 December 2024, the Company had a total of 186 subsidised housing projects (including those integrated into larger projects), with a total gross floor area of 9.46 million square metres. Among these, 130 projects have been completed, with a planned area of 4.71 million square metres, while 56 are under construction or in planning, covering a further 4.75 million square metres.

Performance highlights



As of 31 December 2024, the Company had a total of **186** subsidised housing projects with a total gross floor area of **9.46** million square metres.

»» Case — Zhengzhou Poly Hearty Talent Apartment: A New Benchmark in Subsidised Rental Housing

In 2024, in response to national strategy and local talent attraction needs, Poly Developments and Holdings launched the Zhengzhou Poly Hearty Talent Apartment in the core district of Zhongyuan District, Zhengzhou, and achieved notable success in subsidised rental housing development and operations.

The project is the largest talent apartment complex in Zhongyuan District and currently the only one of its kind under district-level operations. Located at the intersection of Zhongyuan Road and Huashan Road, the project enjoys proximity to the Xiliu Lake eco-zone, the city's central government district, Wanda business district, and metro access, making it a popular choice for high-end talent in the area.

In Henan, Poly Developments and Holdings has taken proactive steps as a responsible central SOE to support government efforts in achieving the goals of "guarantee for quality", "guarantee for house delivery" and "guarantee for livelihoods", and helping residents realise the dream of secure housing.

- **"Guarantee for quality"**: The Company integrates next-generation information technology, green and low-carbon techniques, new construction methods, and innovative products, materials, and processes into housing construction to deliver green, smart, low-carbon, and secure housing.
- **"Guarantee for house delivery"**: By expanding financing channels, optimising processes, and innovating construction methods, the Company ensures quality and efficiency in project execution and delivery.
- **"Guarantee for livelihoods"**: The Company increases the construction and supply of subsidised housing, promotes the close integration of urban village renovation and subsidised housing construction, improves neighbourhood commerce, and delivers caring residential services.



Zhengzhou Poly Hearty

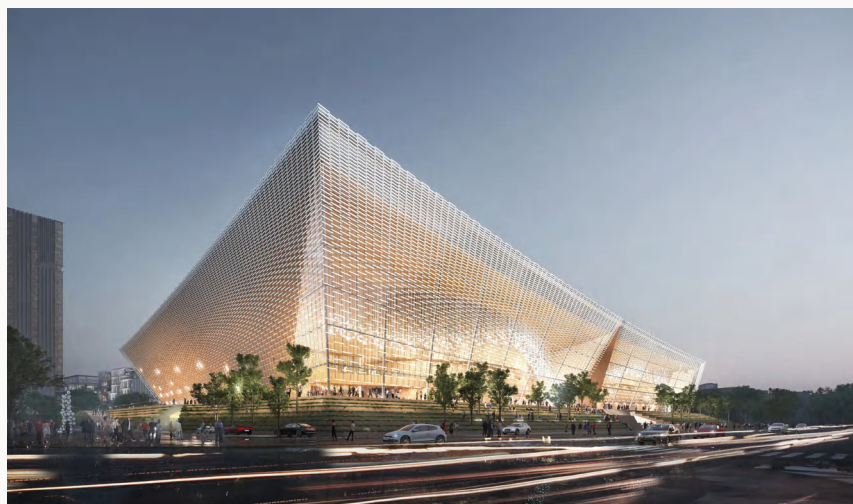
Public infrastructure construction

Poly Developments and Holdings actively engages in public infrastructure development, creating high-quality, resource-efficient public buildings. Through innovative management models, it enhances the service performance of public projects, ensuring compliance with the highest standards across planning, implementation, and operations, and contributing to sustainable urban development.

»» Case — Nanchang Poly Grand Theatre: A Cultural Landmark for Nanchang, Jiangxi

In September 2024, the Nanchang Poly Grand Theatre officially opened. Designed by PES-Architects (Finland), invested by Poly (Jiangxi) Real Estate Development Co., Ltd., and operated by Beijing Poly Theatre Management Co., Ltd., the project integrates performing arts, education, and exhibitions, and is a key provincial-level project in Jiangxi.

Upholding the principle of "culture for the people", the theatre aims to host over 120 high-quality domestic and international performances annually, including concerts and plays, broadening access to cultural experiences for local residents.



Nanchang Poly Grand Theatre

Driving urban revitalization

Poly Developments and Holdings is committed to integrating urban function upgrades with cultural preservation through innovative urban revitalization practices. In these projects, Poly Developments and Holdings focuses on reshaping urban interfaces, functions, layouts, and experiences, using its experience in urban revitalization and managing city function zones to promote development and renewal. In recent years, Poly Developments and Holdings has undertaken diverse urban renewal efforts, including urban renewal, urban reconstruction, and historic district restoration, rejuvenating deteriorated communities through thoughtful scientific planning and design.

To date, the Company has launched over 130 urban revitalization projects and will continue to contribute to city development, preserving urban memory while exploring future pathways enriched with human care and historical legacy.

»» Case — Fuli Construction: Advancing Revitalization of Deteriorated Residential Communities

Fuli Construction actively promotes the revitalization of deteriorated urban communities, improving residents' living conditions. Notably, Fuli Construction led the infrastructure renovation project for deteriorated communities and the rainwater and wastewater pipeline upgrade project in Daming County, Handan. It continues to optimise and improve urban functions, promote urban revitalization, enhance the capacity of integrated urban services, and contribute positively to the wellbeing of residents.

»» Case — Joint Venture with China Southern Airlines and Guangdong Airport Group to Redevelop Former Guangzhou Airport Area

On 26 February 2024, Poly Developments and Holdings, China Southern Airlines, and Guangdong Airport Group concluded a cooperation agreement to jointly develop the Guangzhou International Aviation Technology Innovation City. This collaborative project marks a significant milestone in the history of Guangzhou's urban development. The revitalization and redevelopment of the former airport area will support the city's organic renewal, accelerate the establishment of a technology-driven modern industrial system, and integrate the old axis, new axis, and innovation corridor, laying a solid foundation for the vision of a "Vibrant Greater Bay Area, Colourful Guangzhou".



Signing Ceremony of the Guangzhou International Aviation Technology Innovation City Project

Rural revitalization and social welfare

Governance

The Board of Directors holds ultimate responsibility for Poly Developments and Holdings' rural revitalization and social welfare issues. The management team and Party-masses Office jointly implement initiatives in rural education, infrastructure, industrial development, and cultural preservation. It also collaborates with the Guangdong Poly Real Estate Foundation for Harmonious Culture ("HE FUND") to engage in diverse public welfare and charitable causes, injecting positive energy into society.

Strategy

In alignment with national strategies, Poly Developments and Holdings remains committed to consolidating and expanding the achievements of poverty alleviation, while actively contributing to rural revitalization. We support the development of rural education, infrastructure, local industries, and cultural heritage, playing a role in building beautiful and thriving villages. We also actively participate in philanthropic initiatives, demonstrating our commitment to environmental sustainability, care for employee and community development, and a responsible stance on social issues.

Indicators and targets

Goals for 2024	Progress Review	Goals for 2025
• Implement rural revitalization strategies continuously, and promote local industrial and educational development.	• Poly Developments and Holdings promoted the implementation of sustainable development industrial models in assisted rural areas, and actively carried out "school-enterprise cooperation" and "integration of industry and education" in the form of Spark Class to advance talent revitalization.	• Put ongoing rural revitalization efforts, aiming to explore high-quality development paths for rural industries.
• Support public welfare and charitable causes, sharing our progress with society at large.	• Poly Developments and Holdings supported culturally significant public activities such as animal protection, fostering a spirit of national and contemporary cultural identity.	• Support public welfare and charitable causes, sharing our progress with society at large.



Impacts, risks, and opportunities management

Rural revitalization

Poly Developments and Holdings actively responds to the major strategic deployment of the country's comprehensive promotion of rural revitalization and the goals set forth by the 20th National Congress to build an agricultural power. Leveraging the campaign of "1,000 enterprises aiding 1,000 villages", Poly Developments and Holdings explores new models and approaches to rural revitalization.

Data highlights



In 2024, Poly Developments and Holdings invested

RMB **15.58** million in rural revitalization

and dispatched a total of **6** staff

members during the year to support rural revitalisation efforts

» Industrial prosperity

As a responsible central SOE, Poly Developments and Holdings seeks innovative pathways to develop high-quality rural industries. Focusing on innovation, the Company drives resource integration, industrial upgrading, and market expansion while capitalising on local advantages to promote collaborative models across agriculture, culture, tourism, and other sectors, creating a sustainable industrial development model, and contributing to common prosperity and rural revitalization.

» Talent cultivation

Poly Developments and Holdings supports rural children through the development of a sound nurturing framework to cultivate interests, set aspirations, and lay a foundation for future career development, positioning talent development as a cornerstone of rural revitalization.

In 2024, following its brand positioning of "Pioneering in Creating a Better Life", Poly Developments and Holdings implemented the decision and deployment to consolidate and expand the achievements of poverty alleviation and effectively link them with rural revitalization. With the Poly Spark Programme, it expanded rural children's horizons and strengthened local education.

» Case — "Poly Spark Class" – Talent Revitalization Drives Rural Revitalization

Poly Property actively contributes to the national urbanisation strategy. The "Poly Spark Programme" provides "education + employment" pathways for designated assistance regions, promoting local social and economic development. In December 2024, 45 students of the ninth Poly Spark Class completed three months of professional training and graduated, and formally joined the workforce as "new recruits" of Poly. They embarked on a new journey in life.

The "Spark Shines" initiative, launched by Poly Property, transformed Kunming's Shanshui Yunting project into a pilot growth base for trainees, where they engaged in farmer-supporting sales and care home visits to give back to hometown and contribute to hometown construction, boosting both vocational capabilities and community engagement. As of the end of 2024, the programme had completed nine sessions with 625 graduates from six provinces, including Yunnan and Inner Mongolia, now employed across more than 20 cities. They demonstrated the responsibility of Poly employees through practical actions. This initiative has high promotional value for its unique integration of education, sponsorship, and talent development, establishing a sustainable, replicable support mechanism.



Graduation Sharing Session of the Ninth Poly Spark Class



"Illumination Programme" – HE FUND 2024 Social Welfare Programme

In response to the goals and requirements of supporting the development of public welfare and charitable causes proposed at the third Plenary Session of the 20th CPC Central Committee, HE FUND launched the "Illumination Programme" with Poly Developments and Holdings as the core and the HE FUND Social Welfare Platform as the fulcrum. The programme is a Poly Welfare Platform anchored by four pillars: illuminating the self, the community, public spaces, and the future. Poly Developments and Holdings responds to the diverse needs of social welfare and fulfils its role as a central SOE by partnering with society to create a better life for all.

Illuminating the Self

Focusing on meeting the needs and higher-level spiritual pursuits of homeowners, teenagers, and other beneficiaries, Poly Developments and Holdings has carried out activities such as "Sea & Mountain Fun Fair" and "Sending 100,000 Red Flowers" through corporate cooperation to enhance participants' self-identity and happiness through various forms of social welfare actions.



"Illuminating the Self" Event

Illuminating the Community

Focusing on the spiritual needs of homeowners and customer groups, through community groups such as lion dance teams, basketball leagues, and dance troupes, Poly Developments and Holdings has provided professional services and carried out art and cultural themed activities to build sustainable, cohesive communities.



"Meet Your Neighbours" – Basketball League for Residents

Illuminating Public Spaces

Surrounding its different spatial products, by hosting quality services, humanistic communities, and heartwarming experience in its commercial centres, communities, and eldercare facilities, Poly Developments and Holdings has transformed spaces into hubs for emotional communication and cultural heritage and enhanced the connection between people and space.



Light Show on the Ancient Wall of Yazhou Old Town

Illuminating the Future

Focusing on social sustainable development issues such as intelligence and nature, Poly Developments and Holdings has applied advanced technology to connect intelligent experiences, environmental protection, and other aspects with the future, while investing in sustainable growth of adolescents and children, creating a better, brighter future for all.



"Huaibao Good Luck" Event

Social welfare

Poly Developments and Holdings is guided by the principle of "Building a Better Future Together", with social welfare at the core of its corporate responsibility. Through HE FUND, the Company has successively carried out diversified social welfare activities, continuously injecting positive energy into society and demonstrating its pursuit and commitment to sustainable development.

» Supporting culture and sports

Poly Developments and Holdings is dedicated to social welfare and actively nurtures cultural and sports programmes that reflect the spirit of the times and national identity, contributing to talent development and the high-quality growth of the cultural and sports industry.

» Case — Poly Sino-French Cultural Exchange Programme

In celebration of the 60th anniversary of China–France diplomatic relations in 2024, HE FUND and Poly Art Education held a two-month Poly Sino-French Cultural Exchange Programme. National-level artists mentored students with cultural and artistic talent, supporting study tours and performances in Europe, and reshaping the home ground of great powers with the exchange of ideas.



Poly Sino-French Cultural Exchange Event

» Case — "Feel Family's Love" – Graffiti Art Charity Exhibition

During National Day 2024, HE FUND and FM103.3 Xuzhou Traffic Radio co-hosted a graffiti art charity exhibition under the theme of "Feel Family's Love". Under the guidance of instructors from Jiangsu Normal University, children created their own artworks. Selected pieces were exhibited and auctioned, with proceeds donated to educational charities.



Graffiti Art Charity Exhibition

» Case — "Hele China" – Preserving Cultural Heritage through Artistic Expression

"Hele China" is a cultural and artistic IP carefully curated by Poly Developments and Holdings. Since its launch in 2009, it has spanned 16 years of continuous operation. The initiative now reaches over 100 cities and more than 900 communities, benefiting over 3 million residents, and has become a key link connecting residents with the brand's cultural values.

In 2024, "Hele China" was themed around Chinese poetry, blending traditional literature with modern artistic expression. It brought poetry festivals, exhibitions, competitions, and cultural galas into communities, reviving traditional culture in everyday life. The programme covered 103 cities nationwide, collected over 4,400 original poems, and engaged more than 300,000 families and over 1 million attendances of participants.



"Hele China" – Chinese Poetry Event

» Animal protection initiatives

Poly Developments and Holdings focuses on promoting and advocating the concept of animal protection and advocates animal welfare through various initiatives, aiming to build an inclusive, compassionate living environment and contributing to a harmonious relationship between humans and nature.

» Case — Building Pet-friendly Communities

In 2024, HE FUND partnered with the China Small Animal Protection Association to launch pet-friendly and stray animal rescue activities within Poly communities, meeting residents' emotional and higher-level spiritual needs.

Poly Property launched the "Paw in Hand Festival", featuring fashion pet runway shows, pet Olympics, and interactive events to strengthen the bond between pets and owners and create lasting memories.

In November 2024, Poly Developments and Holdings and the China Small Animal Protection Association held the first pet social welfare activity with the theme of "Illuminating What We Love – Poly Pet-friendly Initiative" in Guangzhou's Poly Tianyue, offering free veterinary services, vaccinations, and pet grooming for the pets of community residents who participated in.



"Illuminating What We Love – Poly Pet-friendly Initiative" Event

» Case — Promoting Stray Animal Protection

Adhering to a "Human-centred Service" strategy, Poly Property developed an integrated pet-friendly model combining service, community, public welfare, and engagement, pioneering modern community governance.

The "Poly Cat Hero Volunteer Team", co-organised by Poly Property, residents, and local community committees, implements the TNR (Trap–Neuter–Return) programme to effectively manage stray cat populations and improve the community environment. Piloted in 13 communities, the initiative sterilised nearly 150 stray cats, arranged adoption for 26, and deployed 50 smart cat shelters based on a national standardised guidebook, reducing complaints significantly (e.g., a 72% drop in Guangzhou Linyu Community).

In September 2024, HE FUND collaborated with Nanjing Ping An A Fu Stray Animal Rescue Centre to launch the "One Square Metre of Safety for Strays" initiative, raising over RMB10,000 for animal care and resettlement.



"Poly Cat Hero Volunteer Team"



China Small Animal Protection Association - Social Welfare Certificate



China Small Animal Protection Association - Pet-friendly Social Welfare Partner

» Supporting special needs

Poly Developments and Holdings is attentive to the needs of diverse social groups. In 2024, it launched several special social welfare activities to support individuals with disabilities, children, and others in need, contributing its strength to society.

» Case — Caring for Vulnerable Groups

» Release of social welfare short film "Seeing"

In 2024, HE FUND released "Seeing", a short film inspired by a true story of a visually impaired child pursuing dreams. The film raised concern and attention from all sectors of society towards visually impaired individual and conveyed Poly Developments and Holdings' compassion and sense of responsibility.



» Visit to Haikou Social Welfare Institute

In March 2024, under HE FUND's organisation, Party members and young volunteers from Poly Developments and Holdings' Hainan Branch visited Haikou Welfare Institute, donating milk, pastries, and school supplies to children in care.



» "Books for Veggies" Donation Campaign

In April 2024, HE FUND helped organise a donation campaign where employees exchanged books for vegetables. Donated books were sent to Baijiawan School in Gangu County, with each donor writing messages of encouragement, conveying their positive expectations for children.



» "Together for Exams" – Gaokao Support Campaign

HE FUND partnered with Huang Feihua Volunteer Fleet to launch a support initiative for the National College Entrance Examination (Gaokao). Prior to the exam, Poly Developments and Holdings' employees in Zhejiang formed a volunteer team and equipped support vehicles with emergency supplies, including 2B pencils, erasers, water, cooling balm, and tissues, for free use by students, parents, and teachers.



GOVERNANCE



Response to Topics in the SSE Guidelines

- Due Diligence
- Anti-commercial Bribery and Anti-corruption
- Anti-unfair Competition
- Communications with Stakeholders

Relevant GRIs

2-9, 2-10, 2-11, 2-15, 2-17, 2-19, 2-23, 2-24, 2-25, 2-26, 205-1, 205-2, 205-3, 207-1, 207-2, 207-3, 405-1



Corporate Governance

Enterprise governance

Poly Developments and Holdings steadfastly upholds the principle of regulatory compliance, strictly adhering to all applicable laws and regulations in operating jurisdictions. The Company has implemented comprehensive enhancements across financial management, tax governance, and operational controls to ensure full alignment with regulatory requirements. Through its robust governance framework and high-efficiency execution mechanisms, the Company delivers sustainable and stable value creation for shareholders.

Indicators and targets

Goals for 2024	Progress Review	Goals for 2025
- Strengthen the duty performance capabilities of directors. - Strengthen investor communication. - Enhance information disclosure quality.	- Continuously optimised the decision-making procedures of the Board of Directors. - Diversified investor communication channels to improve transparency. - Awarded an A-grade for information disclosure by the Shanghai Stock Exchange for eleven consecutive years.	- Further strengthen the duty performance capabilities of directors. - Enhance the effectiveness of investor communications. - Consistently improve information disclosure quality.

Poly Developments and Holdings strictly complies with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, and other relevant laws, regulations and regulatory requirements. The Company has formulated the *Articles of Association*, *Rules of Procedure of General Shareholder Meeting*, *Rules of Procedure of the Board of Directors*, and *Decision-making System on Related-Party Transactions*, among others, to clearly define the roles and responsibilities of each governance body, streamline decision-making processes, and solidify the foundation of corporate governance, ensuring that operations are conducted in a standardised, compliant, and orderly manner. The governance framework comprising the General Shareholder Meeting, the Board of Directors (and its Specialised Committee), the Board of Supervisors, and the Management operates with standardised structure, clear responsibilities, and high efficiency, meeting both regulatory requirements and the needs of business operations.

Level	Responsibilities
General Shareholder Meeting	As the Company's highest authority, the General Shareholder Meeting exercises decision-making power on critical matters in accordance with laws, regulations, and the Articles of Association. It approves significant issues of the Company in accordance with the law, including but not limited to annual financial reports, investment plans, profit distribution schemes, plans for debt and equity financing, and other critical financial matters.
Board of Directors	The Board of Directors is responsible to the General Shareholder Meeting, exercises the decision-making power on corporate issues in accordance with the law, and leads the Company's strategic planning and major decision-making matters.
Board of Supervisors	The Board of Supervisors oversees business operations, the decision-making process of major matters, and the performance of duties by directors and Senior Management. It safeguards the legitimate rights and interests of the Company and its shareholders, and is entitled to demand rectification of actions of the Board of Directors or managers in violation of the <i>Articles of Association</i> or harmful to the Company's interests.
Management	As the executive body for daily operations, the Management is responsible for, under the authorisation of the Board of Directors, implementing resolutions of the General Meeting of Shareholders and the Board of Directors and overseeing the Company's day-to-day operations.

Data highlights

In 2024, the Company held **6** sessions of the General Shareholder Meeting, **14** meetings of the Board of Directors, and **5** meetings of the Board of Supervisors, reviewing critical matters including investment and financing decisions, organisational restructuring, and market cap management.

Independence and diversity of the Board of Directors

The Board of Directors consists of nine members, including three independent directors. Each director performs its duties independently to ensure objective and fair decision-making. The Board of Directors has four specialised committees: the Strategy Committee, Nomination Committee, Audit Committee, and the Remuneration and Assessment Committee. Independent directors serve as conveners of the Nomination Committee, Audit Committee, and Remuneration and Assessment Committees and constitute a majority in these specialised committees, enabling them to leverage their professional expertise and oversight roles. In the Remuneration and Assessment Committee, independent directors account for 100% of the members. Independent directors fulfil their responsibilities diligently by providing independent opinions on relevant matters. They actively participate in surveys, report reviews, and meetings of the Company as non-voting attendees to ensure that the rights of all shareholders - particularly minority shareholders - are effectively safeguarded.



Specialised Committee	Strategy Committee	Nomination Committee	Audit Committee	Remuneration and Assessment Committee
Convenor	Chairman of the Board	Independent directors	Independent directors	Independent directors
Directors	4	2	2	0
Independent directors	1	3	3	3
Proportion of independent director members	20%	60%	60%	100%

Efforts are made to enhance the Board of Directors' diversity, considering factors such as age, cultural and educational background, professional experience, skills, and tenure whilst electing directors to create a more comprehensive and balanced board structure. This fosters broader perspectives and experiences within the Board, thereby driving the Company's sustainable development.

Specialty	Liu Ping	Chen Guanzhong	Pan Zhihua	Yu Xiaodong	Tong Yunxiang	Zhang Fangbin	Zhang Jingzhong	Zhang Zheng	Zhang Junsheng
Finance and investment	●	●	●	●	●	●		●	●
Industry	●		●	●		●	●	●	
Legal affairs			●	●		●	●		
Corporate culture and brand management						●			
Risk management	●	●	●	●	●		●		●

Enhancing the duty performance capabilities of the Board of Directors

Poly Developments and Holdings continuously improves development quality by strengthening the governance role of the Board. In terms of ensuring the conditions for directors' duty performance, the Company conducts special surveys and organises thematic reports to reinforce support for duty performance and aids external directors in comprehensively understanding the Company's operational dynamics. In terms of ensuring the effective exercise of the Board of Directors' powers, by refining pre-meeting communication mechanisms, optimising agenda contents and other means, the Company ensures that directors fully comprehend agenda items and express opinions, thereby enhancing decision-making efficiency. The Company also implements the *Notice on Strengthening the Construction of Boards of Directors in Subsidiaries of Central State-owned Enterprises* issued by the State-owned Assets Supervision and Administration Commission (SASAC), extending corporate governance principles, strengthening the board development and reinforcing risk prevention at the subsidiary level.

Transparency of information

Poly Developments and Holdings prioritises the protection of investor rights by diversifying communication channels to effectively convey the Company's value. The Company values feedback from shareholders (particularly minority shareholders), independent directors, and supervisors. It seeks sustainable growth while ensuring fair returns to shareholders through proactive and proper profit distribution principles and a consistent and stable profit distribution policy.

Since listing, the Company has operated steadily under the vision of building a real estate ecosystem platform with excellent competitiveness, and achieved remarkable results. In 2024, the *2023-2025 Shareholder Return Plan* was revised, raising the minimum cash dividend ratio to no less than 40% of the net profit attributable to shareholders of the listed company for each year during 2023-2025.

In 2024, the Company repurchased shares worth over RMB750 million, and its actual controller Poly Group increased its stake by RMB160 million. Since listing, the Company has distributed annual dividends. As of 31 December 2024, the total cash dividend payout reached approximately RMB63 billion, topping listed real estate companies on the Shanghai Stock Exchange for 14 consecutive years, sharing growth with investors.



In 2024, the Company repurchased shares worth over

RMB **750** million



As of 31 December 2024, the total dividend payout reached approximately

RMB **63** billion



Actual controller Poly Group increased its stake by

RMB **160** million



Topping listed real estate companies on the Shanghai Stock Exchange for

14 consecutive years

Quality of information disclosure

While advancing towards healthy, sustainable, and high-quality development, the Company strictly adheres to regulatory disclosure requirements and conveys business results and value to the capital market through high-quality information disclosure. Poly Developments and Holdings places strong emphasis on transparency, providing regular investor communications to enhance understanding of its business philosophy and operations - contributing to a more orderly and transparent market environment.

The Company focuses on both the quantity and quality of information disclosure, deeply integrating industry characteristics, and continuously improving the way of disclosing operational information to fully safeguard the investors' right to be informed. It actively improves decision-making disclosure methods, refines related-party transaction management, and enhances the information content and readability of announcements, effectively meeting regulatory and market demands. For 11 consecutive years, the Company has been awarded the highest grade (A-grade) in the Shanghai Stock Exchange's Information Disclosure Work Evaluation, ranking at the forefront among listed companies.



The Company has been awarded the highest grade in the Shanghai Stock Exchange's Information Disclosure Work Evaluation

(**A** grade)

for **11** consecutive years

Investor communications

The Company continues to strengthen its disclosure framework and improve the relevance and effectiveness of information disclosure. Through multiple communication channels such as investor conferences, research meetings, roadshows, brokerage strategy meetings, as well as platforms like e-Interaction, investor hotlines, and email, it has deepened engagement with investors. It responds promptly to concerns, strengthens engagement with, and builds trust and recognition among, existing and potential investors, thereby effectively safeguarding shareholders' rights and interests. Moreover, by comprehensively showcasing operation results, actively incorporating market feedback, and continuously innovating communication methods, the Company strives to enhance corporate governance effectiveness and market value.

Compliant operation

Poly Developments and Holdings regards compliant operation as the foundation of stable development. Through a robust compliance management system and multi-level governance structure, the Company ensures that responsibilities are fulfilled and fosters a culture of compliance.

Compliance management structure

The Company has established a multi-level compliance management structure comprising the Party Committee, Board of Directors, Management, Investment Positioning and Review Committee, and Chief Compliance Officer, ensuring accountability at all levels.

Data highlights



In 2024, the Company achieved a **100%** compliance review coverage rate for significant matters in its operations

Level	Management Responsibilities
Party Committee	Responsible for implementing the pre-decision-making procedures of the Party organisation, ensuring that major decisions and important projects of the Company are sufficiently studied and discussed and included in the Party Committee's study and discussion checklist.
Board of Directors and the Management	Responsible for reviewing and approving basic compliance management regulations and incorporating compliance work into the Company's overall strategic planning.
Investment Positioning and Review Committee	Responsible for coordinating and planning the Company's compliance management, and ensuring that all business activities comply with laws, regulations, and the Company's policies.
Chief Compliance Officer	Participate in critical meetings of the Company and provide professional opinions on compliance issues to promote the development of a compliance culture and risk management.

Compliance training and culture building

In 2024, over ten compliance-related courses were launched on the online platform Poly Business School, including *How to Prevent and Control Legal Risks in Real Estate Publicity* and *Key Compliance Requirements for Commodity Housing Sales*, covering topics such as business ethics and compliant operation. These courses reached employees across the headquarters and subsidiaries of the Group and effectively enhanced the compliance awareness of all employees.

Case — Duty Performance Capability Training for Chief Compliance Officers

On 24 September 2024, Poly Group launched its first Duty Performance Capability Training Programme for General Counsel (Chief Compliance Officers) at Wuhan University. Over 20 participants, including the Company's general counsel and legal officers from headquarters and subsidiaries, attended the full session.

Leveraging Wuhan University's faculty, the programme offered courses on Xi Jinping Thought on the Rule of Law, practical contract law under the *Civil Code of the People's Republic of China*, interpretation of the new *Company Law of the People's Republic of China*, SOE discipline codes, and cross-border legal compliance. Discussions focused on building a world-class law-based enterprise and improving compliance effectiveness. Combining theory and case-based learning, the training effectively enhanced the legal team's professional capacity - laying a solid foundation for robust risk prevention and high-quality development.



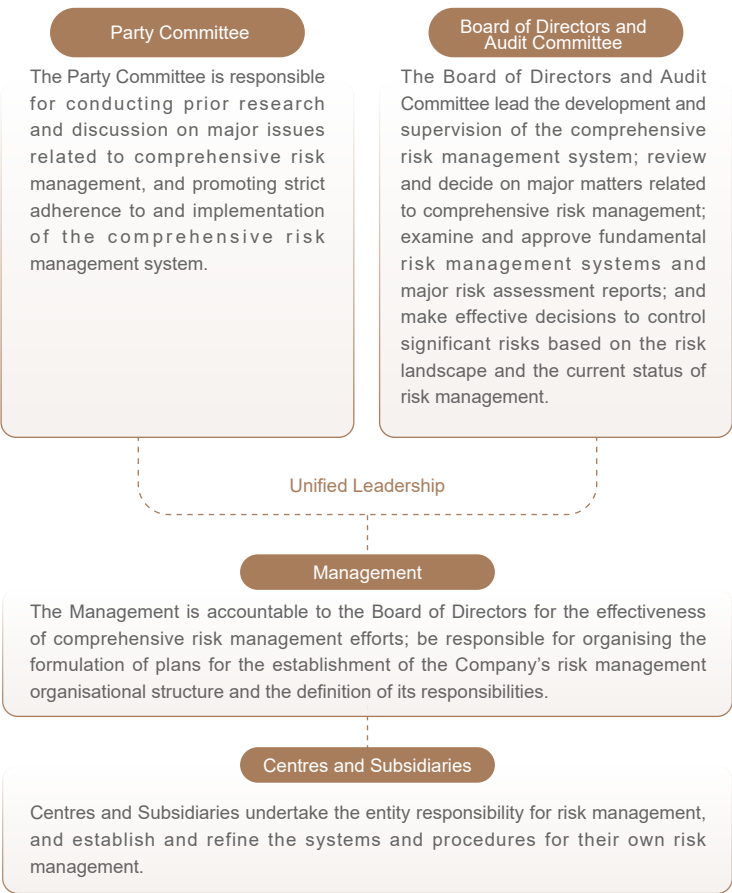
Opening Ceremony of Poly Group's Duty Performance Capability Training Programme for General Counsel

Tax compliance

Poly Developments and Holdings adheres to the principles of integrity and compliance, strictly following tax laws in each jurisdiction of operation and ensuring full, timely payment of taxes. A tax risk management system is in place, with regular self-checks and corrections to ensure accurate and compliant reporting of tax affairs. The Company rigorously considers and begins to develop the *Tax Compliance Policy of Poly Developments and Holdings* to establish mutual-trust, cooperative and win-win relationships with stakeholders. The Company's tax policy is overseen by the Board of Directors to ensure compliance with local tax laws and adherence to principles of integrity and compliance. The tax policy is subject to regular internal review and updates to align with local laws and regulatory requirements and strategic goals of the Company.

Risk Management and Internal Control

Risk management Governance



Strategy

The Company establishes and improves systems and processes for identifying, evaluating, and addressing risks, establishes a sound internal control system, enhances due diligence on sustainability-related adverse impacts or risks, and improves sustainability risk response mechanisms, ensuring compliance, accuracy, and stability in the Company's operations, and enhancing the overall governance level of the Company.

Indicators and targets

Goals for 2024	Progress Review	Goals for 2025
- Enhance risk compliance awareness. - Construct a centralised, full-coverage, authoritative, and efficient audit supervision system. - Establish and refine the internal control system and enhance internal control evaluation practices.	- In 2024, the Company proactively identified potential risk projects, strengthened integrated governance, and introduced a risk mitigation performance evaluation mechanism to integrate risk management into the subsidiary performance evaluation system. - The Company implemented "top-down audit" and supervision and provides guidance and supervision for the internal audit work across the entire system. It strengthened its organisational leadership, established various steering groups under the "Holistic Supervision" system, specified their members and responsibilities, and reinforced the leadership of its supervision system. - In 2024, self-assessment coverage reached 100%, and the internal control supervisory evaluation cycle was performed on schedule, with a completion rate of 100%.	- Enhance risk compliance awareness. - Construct a centralised, full-coverage, authoritative, and efficient audit supervision system. - Achieve 100% coverage of internal control supervisory evaluation from 2023 to 2025.

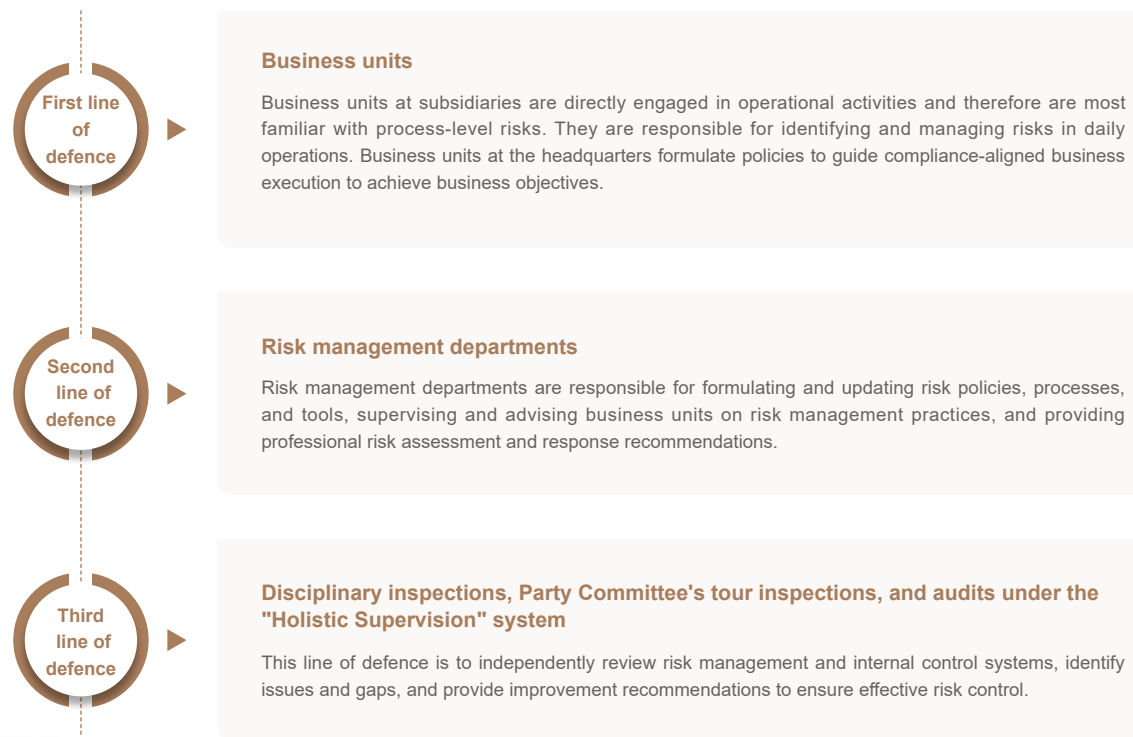
Impacts, risks, and opportunities management

Risk management system

Poly Developments and Holdings has established a comprehensive and efficient risk management framework. It continues to enhance its risk prevention framework, refine its risk assessment mechanisms to balance risk control and business development, minimise the likelihood of incidents and support long-term healthy development. All members of the Audit Committee possess the professional competence necessary for their roles, with extensive experience in financial and risk management. In both meetings and day-to-day communications, the Audit Committee remains attentive to laws, regulations, and industry best practices related to risk management, ensuring effective risk prevention and control and safeguarding the legitimate rights and interests of the Company and shareholders.



Three Lines of Defence in Risk Management



Comprehensive risk management strategy



In 2024, the Company further strengthened budget control, risk management, performance appraisal, and data sharing mechanisms to improve operational resilience on all fronts. Regular stress tests were conducted to assess complex conditions, systematically realign assets and business operations, identify vital risk factors, and implement measures such as sales cash recovery and asset revitalisation to mitigate material risks. The Company proactively assessed potential risks, improved governance capabilities, incorporated risk management into the performance appraisal system by introducing the risk mitigation performance appraisal system, and established de-risking assessments for subsidiaries, thus driving risk control implementation through performance-oriented mechanisms, and maximising asset liquidity and value.

The Company has improved its public opinion crisis management procedures by establishing a real-time monitoring and coordinated response mechanism, identifying and categorising risks for appropriate handling, and conducting regular reviews and training sessions. In the face of urgent public opinion incidents, general negative crises are handled by the subsidiaries themselves and reported accordingly; material or particularly material events are handled by a steering group that is established under the leadership of a designated group and coordinates multiple departments to form a dedicated response team for emergency management. Responsible units are responsible for investigating, formulating response plans, coordinating resources, and deploying solutions through multiple channels. Government engagement or legal action may be taken if necessary.

Integration of ESG into risk management

Within the risk framework, the Company systematically identifies and assesses risks related to ESG issues including business ethics, health and safety, and climate change (e.g., extreme weather endangering the Company's and customers' health and safety, or raising property operation and maintenance costs), and manages them together with other business risks. Through a structured risk analysis process, the Company comprehensively evaluates potential ESG impacts on business operations and incorporates findings into strategic decision-making. Regular reporting to the Board of Directors ensures that ESG-related risks are managed in alignment with the Company's risk governance framework, enabling prompt response to internal and external developments, and strengthening risk resilience.

Risk culture development

The Company places strong emphasis on risk culture development, delivering continuous risk management training. Training is provided to directors, Management, and employees to build awareness of industry context, market conditions, risk management expertise and the importance of risk management to development of the Company. Directors (including independent directors) participate in special or general training sessions held by exchanges or internally, strengthening risk management awareness and enhancing risk-based decision-making capacity. A dedicated learning platform of the Company publishes ongoing training content related to comprehensive risk management and accessible to all employees in the system, thus embedding risk awareness into the corporate culture.

Internal control system

The Company has developed a comprehensive internal control system in line with the corporate internal control framework and relevant requirements. The Audit and Risk Control Management Centre oversees key functions, coordinating with internal and external audit bodies. Anti-corruption supervision is embedded via "Discipline–Inspection–Audit Integration" to ensure the effective operation of the internal control system under the guidance of corporate strategy. Internal control evaluation is systematic and complete, with self-assessments conducted annually with full coverage and supervisory evaluations completed every three years with full coverage. The Company strictly follows SASAC guidelines for SOEs, and guarantees a comprehensive and standardised internal control system.

Data highlights



Self-evaluations achieve full coverage annually, while supervisory evaluations achieve full coverage every **3** years



System development and refinement

The Company continuously promotes the development of the internal control system, and refines and updates system provisions to ensure that they are scientific and effective. Execution is rigorously enforced to embed system requirements across all operational processes, enhancing internal control management capabilities.



Technology-enabled internal control

In 2024, system integration was used to embed internal control points into digital workflows, transitioning from manual to technology-based prevention and control. To address weak links in internal control execution, corrective measures were implemented for online business processes, including mandatory control of attachment uploads, standardised process routing, and key content alerts. Additionally, internal control procedures were enhanced through adjustments to online approval authorities for business process, such as optimised authority settings, particularly for large-scale bidding.

An annual internal control management review is conducted, which performs a comprehensive "health check" of the Company by closely aligning with critical management nodes and standard procedures in real estate development and related industries. In 2024, the Company mandated subsidiaries to conduct self-evaluation of internal control on 11 areas, including capital management, bidding management, sales and payment collection management, investment and M&A management, and engineering project management, and strengthen the responsibility of the operating entities and compliant operation awareness, effectively supporting audit supervision and internal control evaluation.

Internal audit

Poly Developments and Holdings adheres to the goal of building a centralised, full-coverage, authoritative and efficient audit supervision system. Based on the positioning of "economic supervision", the Company focuses on core areas and key procedures, promotes full coverage of audit supervision, implements thorough and strict audits, strengthens internal control and risk prevention, promotes compliance, and enhances efficiency.

An Audit Committee has been established under the Board of Directors to be responsible for overseeing and managing audit activities and reviewing and approving all audit plans, reports, and significant audit findings. An internal audit governance system directly led by the Party Committee and the Board of Directors has been implemented by the Company, which employs a "top-down audit" and supervision to provide centralised guidance and supervision for the internal audit work of the entire system.

The Company properly conducts internal audits and discipline inspections under a "Inspection–Audit Integration" model. In accordance with SASAC's regulations on strengthening SOE audit oversight and Poly Group's internal audit systems, each subsidiary is audited at least once every five years. Under the "Holistic Supervision" system, to strengthen organisational leadership, the Company has established various steering groups, specified the responsibilities of their members, and reinforced the leadership of the Company's supervision system. Following the principle of "centralised management, hierarchical responsibility, and dual coverage", the Company has improved the two-level organisational structure encompassing the headquarters and platforms, and enhanced audit functional management. Each subsidiary has set up an internal audit institution so that it is supervised by the audit departments of itself and the headquarters, ensuring unified planning and vertically coordinated implementation of the Company's audit work.

Internal audits of Poly Developments and Holdings in practice focus on market and policy environmental risks, as well as project-specific risk analyses and proposed risk response strategies. Audits identify root causes of project risks and internal control weaknesses, enhancing corporate governance effectiveness. During audit report solicitation phase, early intervention is implemented to guide and validate rectification actions. Based on the actual circumstances, the rectification type of each issue, such as immediate rectification, phased rectification, or ongoing rectification, is clearly defined, along with the rectification direction, including loss recovery, risk prevention and control, management enhancement, and system improvement. In subsequent steps, follow-up reviews are conducted to verify rectification results and ensure full closure of issues.



Business Ethics

The Company emphasises development and management of business ethics for both the Company and its business partners, adheres to integrity standards, strengthens supervision and reporting management against corruption and commercial bribery, combats unfair competition, and creates a fair and upright business environment.

Indicators and targets

Goals for 2024	Progress Review	Goals for 2025
Continuously enhance the coverage of business ethics training.	The coverage rate of employee business ethics training was 100%.	Continuously enhance the coverage of business ethics training.
Conduct day-to-day supervision and inspections of subsidiaries in accordance with the requirement for full coverage.	In 2024, the Company completed three batches of "Inspection–Audit Integration" tasks for 10 subsidiaries, and conducted focused investigations on issues discovered by tour inspections, recovered funds, and supervised the revision of 164 systems.	Conduct day-to-day supervision and inspections of subsidiaries in accordance with the requirement for full coverage.
Promote the integrity management of stakeholders.	The signing rate of the <i>Integrity Agreement</i> for suppliers was 100%.	Promote the integrity management of stakeholders.

Business ethics management system

Poly Developments and Holdings has established a robust integrity management system. Policies such as the *Work Measures for Complaints and Reporting Regarding Discipline Inspection and Supervision* have been formulated in accordance with the *Rules on Integrity of Executives of State-Owned Enterprises* to ensure that business operations comply with laws, regulations, and ethical standards. All business lines undergo ethical audits every 5 years, covering all employees (including part-time employees) and contractors, with thorough reviews of anti-corruption policies and integrity risks.

To achieve comprehensive coverage and efficient implementation of integrity management, the Board of Directors, together with the Party Committee and the Discipline Inspection Committee, serves as the highest decision-making body for business ethics management. Special anti-corruption training sessions for directors are conducted annually. Additionally, multiple "Holistic Supervision"-related and non-permanent institutions, such as the Leadership Group for Anti-corruption and Party Conduct and Clean Governance, the Comprehensive Supervision Leadership Group, and the Party Committee's Inspection Work Leadership Group have been established.

Business Ethics Management Framework

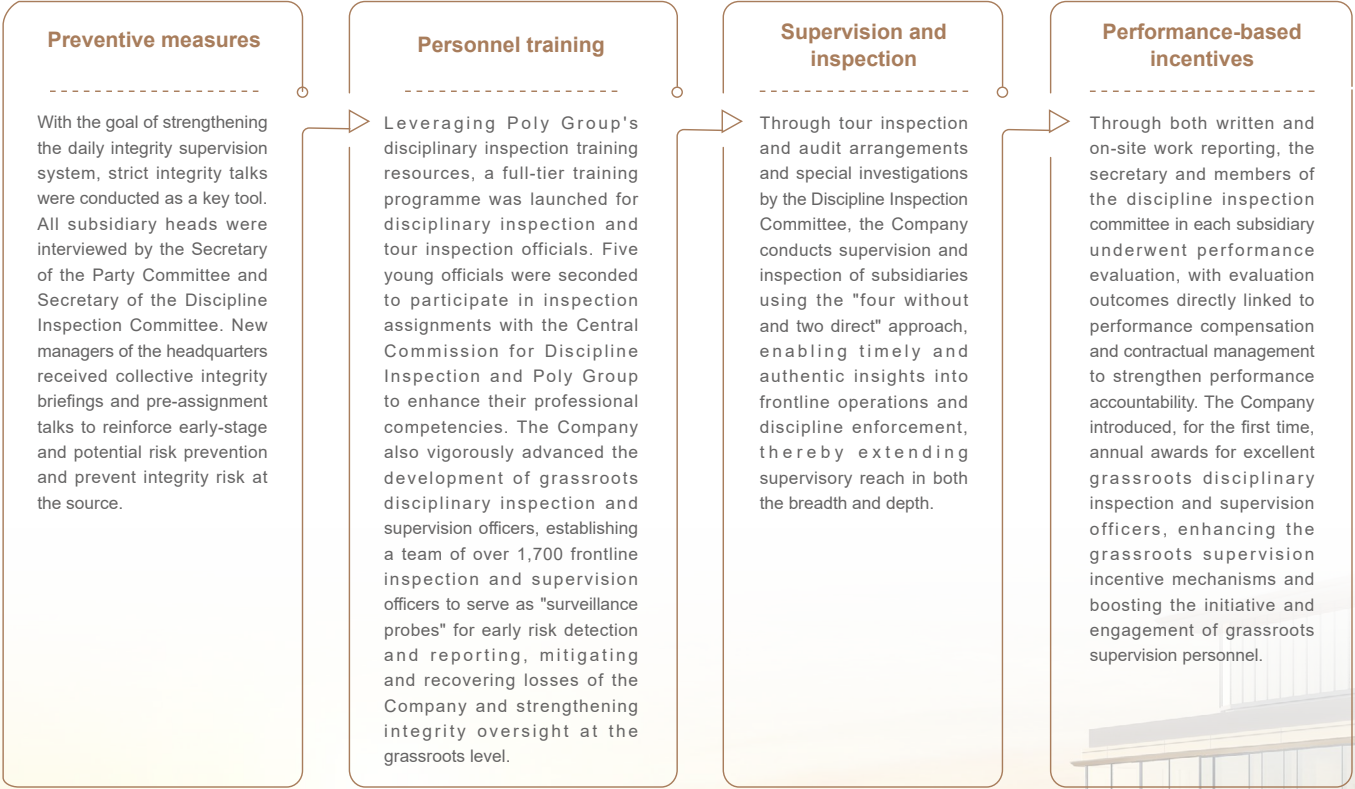
Decision-making level	Party Committee, Board of Directors, Discipline Inspection Committee
Leadership level	Leadership Group for Anti-corruption, Comprehensive Supervision Leadership Group, Party Committee's Inspection Work Leadership Group, Overseas Corruption Control Steering Group, and Misconduct Accountability Steering Group
Execution level	Discipline Inspection and Supervision Office and Party Committee Inspection Office
Execution units	Centres and subsidiaries

Regarding system development, ongoing improvements are made to the integrity risk control system. Oversight of key areas and steps (e.g., bidding, sales, statistics) are enhanced through revisions to six procurement rules (including the *Bidding Management Measures*) and five sales policies (including the *Sales Management Measures*). These aim to ensure transparent processes and strengthen full-cycle compliance, elevating controls in critical areas with the "re-supervision" mechanism. Subsidiaries are advised to improve the Integrity Risk Control Handbook based on their actual situations and workflow, and enhance education and communication.



Normalised management

Poly Developments and Holdings integrates political supervision, comprehensive supervision, and daily supervision to promote Party discipline and integrity at full stretch. Regular face-to-face talks and joint tour inspections help to promote integrity management and routine supervision. In 2024, the Company focused on preventive measures, personnel training, supervision and inspection, and performance-based incentives, to enhance integrity supervision.



Data highlights

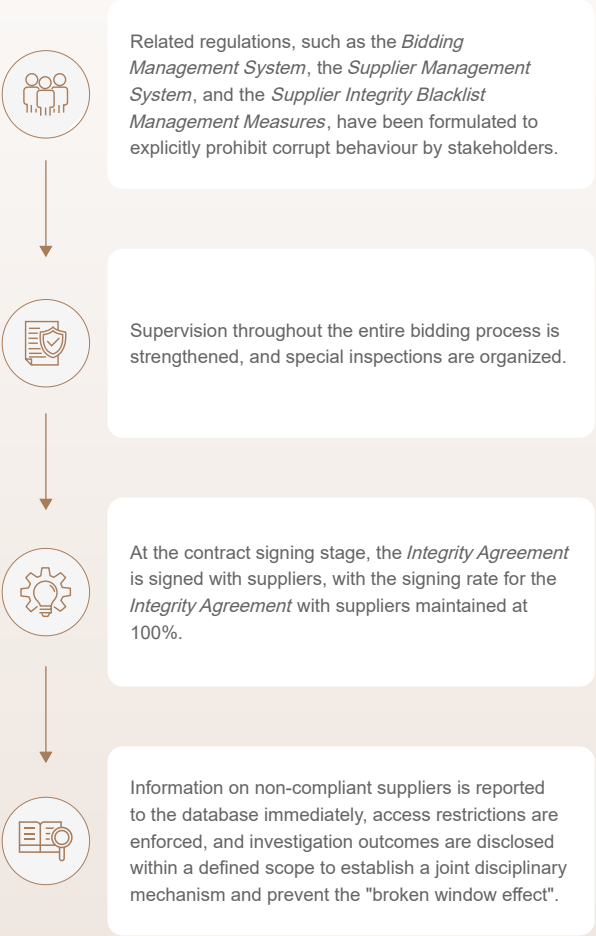
In 2024, routine tour inspections were conducted in respect of the Party organisations of subsidiaries in Jiangsu, Huaihai region, Hunan, Gansu, Shandong, Qilu, Jiangxi, Hubei and Henan, and Zhonggong Architectural Design Institute. The centralised rectification phase for the first round of tour inspections in 2024 has now been completed.

Data highlights

- Completed three batches of "Inspection–Audit Integration" tasks for 10 subsidiaries in 2024.
- Followed-up and rectified the "retrospective inspection" checks conducted by Poly Group's Party Committee, with a completion rate of **100%** for rectification of problems.
- Conducted focused investigations on issues discovered by inspections, recovered funds, and supervised the revision of **164** systems.

Integrity management of stakeholders

While strengthening its own integrity management, the Company actively encourages suppliers to build an integrity structure together, creating an integrity and transparent business environment and regulating the business conduct of suppliers, service providers, and project personnel.



Supervision and whistleblowing

Poly Developments and Holdings has formulated and implemented the *Work Measures for Complaints and Reporting Regarding Discipline Inspection and Supervision*, clarifying the corresponding whistleblowing channels and the reception and handling methods for letters and visits. Whistleblowers can report violations through letters, visits, hotlines, and emails.

> Whistleblowing by letters:

Discipline Inspection and Supervision Office, 57/F, Poly Development Plaza, 832 Middle Yuejiang Road, Haizhu District, Guangzhou

> Whistleblowing by visits:

Discipline Inspection and Supervision Office, 57/F, Poly Development Plaza, 832 Middle Yuejiang Road, Haizhu District, Guangzhou

> Whistleblowing hotline:

020-89898989-6728

> Whistleblowing email:

jijianxinfang@polycn.com

The Company stipulates that the Discipline Inspection and Supervision Department and its staff must strictly abide by the confidentiality system for letter and visit whistleblowing. When implementing the confidentiality system, the Company strictly protects the personal information and reported content of the reporters, and includes the reported materials in confidential management.

The Company's work on letter and visit whistleblowing—protection of whistleblowers

- The Company strictly keeps the personal information of whistleblowers, such as their names, workplaces, and home addresses, and the reported content confidential, and includes the reported materials in confidential management;
- It is strictly prohibited to transfer reported materials to the units and individuals reported or accused;
- Accepting whistleblowing from or verifying information with whistleblowers must be done on the premise of ensuring confidentiality;
- Whistleblower names and employers are disclosed only with their consent when issuing rewards;
- Acts of retaliating against or instigating others to retaliate against whistleblowers and their relatives will be punished according to discipline and regulations;
- Evidence and materials related to unit heads using their powers or influence to retaliate against whistleblowers and their relatives provided by the People's Procuratorate will be verified in accordance with relevant regulations. If the verification results are conclusive, organisational measures or disciplinary actions will be taken according to relevant regulations.

Business ethics training

The Company attaches importance to the development of an integrity culture, imposes zero tolerance for corruption and other fraudulent behaviours, and incorporates the education and promotion of integrity into daily management as a routine. The Company continually explores innovative practices in anti-corruption education, promoting an integrity culture through diverse and comprehensive initiatives that foster a clean and upright corporate environment.

- Strengthen counter-example education:** Guided by the principle of "educating people with real cases", internal counter-example education videos are produced based on typical violations within the system. In 2024, a counter-example education conference was held to urge Party members and officers to reflect on real cases and reinforce integrity conduct.
- Promote disciplinary awareness:** In combination of Party discipline education, subsidiaries implement the "Four Dimensions of Integrity" campaign - leaders giving integrity talks, reminders of integrity conduct, warnings through real cases, and promoting culture-based integrity. They conduct legal and disciplinary training, leveraging local red heritage resources and integrity education bases. Four issues of the *Summary of Party Conduct and Integrity Management Construction and Anti-corruption Work of Subsidiaries* have been compiled and published, featuring over 50 articles, while encouraging subsidiaries to innovate beyond mandatory requirements.
- Create an integrity culture:** Subsidiaries have launched innovative initiatives in integrity culture building. Certain real estate branches promote conduct improvement campaigns by creating comic strips, micro-videos, pocket guides, and hosting family-themed exhibitions and integrity home visits. The Zhonggong Architectural Design Institute strengthens its "Qingfeng" integrity brand. Changchun Subsidiary's "Qingfeng Changlian" campaign is featured on www.cnr.cn, fostering a culture of integrity and self-discipline.

Data highlights

- The Company held **381** comprehensive supervision meetings at all levels, the subsidiaries discovered and rectified **2,747** problems through comprehensive supervision and promoted the revision and improvement of **490** systems.
- The business ethics training programmes covered **100%** of employees. All levels of the Company conducted integrity education and training activities **1,445** times, covering **91,360** attendances of employees and suppliers.
- Meetings on improving the Party working style, boosting clean governance, and anti-corruption were held at all levels of the Company a total of **66** times.

Intellectual property protection

Poly Developments and Holdings strictly adheres to laws and regulations such as the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*, and has formulated policies including the *Intellectual Property Objectives and Funds Management Procedures*, the *Intellectual Property Management System*, and the *"Poly" Trademark and Trade Name Use Management Measures* to improve the compliance of intellectual property protection. Poly Developments and Holdings values intellectual property protection for both the Company and others. Trademark registration, software copyright registration, and patent application processes are optimised and strengthened, supported by ongoing trademark monitoring and legal action to protect IP rights.

Category	Unit	New in 2024
Valid invention patents	Patents	4
Utility model patents	Patents	35
Design patents	Patents	5
Registered copyrights (software)	Patents	6
Registered copyrights (others)	Patents	2



APPENDICES

Table of Sustainable Development Performance

Indicators	Unit	2024	2023	2022
Environmental Indicators ^a				
NO _x emissions	kg	1,132	/	/
SO _x emissions	kg	42	/	/
Particulate matter emissions	kg	101	/	/
Scope 1 and Scope 2 GHG emissions	tCO ₂ e	568,403	495,231	13,475
Scope 1 GHG emissions ^b	tCO ₂ e	10,862	7,983	1,195
Scope 2 GHG emissions ^c	tCO ₂ e	557,541	487,248	12,280
Scope 3 GHG emissions ^d	tCO ₂ e	5,589	/	/
Scope 1 and Scope 2 GHG emission intensity ^e	tCO ₂ e/million RMB	1.82	1.43	/
Total energy consumption	tce	135,136	110,741	2,392
Total direct energy consumption ^f	tce	5,923	4,352	631
Gasoline consumption	Tonnes	894	793	318
Diesel consumption	Tonnes	1,281	793	/
Coal gas consumption	Cubic metres	4,021	1,421	/
Natural gas consumption	10,000 cubic metres	195	135	12
Liquefied petroleum gas consumption	Tonnes	82	141	/
Indirect energy consumption ^g	tce	129,213	106,389	1,761
Purchased electricity	10,000 kWh	100,418	82,869	1,380
Purchased heat	GJ	169,956	133,155	1,897
Energy consumption intensity	tce/million RMB	0.43	0.32	/
Hazardous waste generated	Tonnes	45	38	/
Hazardous waste intensity	kg/million RMB	0.14	0.11	/
Non-hazardous waste generated	Tonnes	2,513	3,491	/
Office paper	Tonnes	144	249	285
Office domestic waste	Tonnes	1,224	688	/
Construction/furniture waste	Tonnes	24	1,285	/
Canteen and kitchen waste	Tonnes	1,121	1,269	/
Non-hazardous waste intensity	kg/million RMB	8.06	10.06	/
Total water consumption	10,000 tonnes	1,820	1,472	12
Circulating water consumption	Tonnes	230	194	/
Water consumption intensity	Tonnes/million RMB	58.39	42.44	/

Indicators		Unit	2024	2023	2022
Social Performance					
Total number of employees		Persons	49,790	56,259	67,260
Gender	Male	Persons	29,443	31,455	38,451
	Female	Persons	20,347	24,804	28,809
Employment type	Employees engaged in real estate business	Persons	6,581	6,536	7,439
	Employees engaged in property management business	Persons	30,125	33,902	43,433
	Other employees	Persons	13,084	15,821	16,388
Age	30 or below	Persons	16,866	18,261	25,821
	31 to 50	Persons	29,344	32,652	36,672
	51 or above	Persons	3,580	5,346	4,767
Welfare and protection	Labour contract signing rate	%	100	100	100
	Social insurance and housing provident fund coverage rate	%	100	100	100
	Physical examination coverage rate	%	100	100	100
	Occupational safety and health records coverage rate	%	100	100	100
	Number of major health or safety incidents	Cases	0	0	0
Career development	Total number of employee training attendances	Attendances	3,229,777	2,570,000	2,064,000
	Employee training coverage rate	%	100	100	100
	Number of male employee training attendances	Attendances	1,805,885	/	/
	Number of female employee training attendances	Attendances	1,423,892	/	/
	Average training hours per employee ^h	Hours	257	38	40
Investment in product technology R&D		RMB10,000	5,631	8,587	123,848
Number of intellectual property patents acquired		Patents	44	98	70

Indicators		Unit	2024	2023	2022
Financial performance	Total assets	RMB100 million	13,351	14,369	14,705
	Operating revenue	RMB100 million	3,117	3,469	2,811
	Total profit	RMB100 million	156	246	353
	Debt-to-asset ratio	%	74.34	76.55	78.09
	Total taxes paid	RMB100 million	290	406	408
Number of suppliers ¹	Northeast China	Suppliers	2,060	3,645	4,211
	North China	Suppliers	4,990	6,341	10,352
	East China	Suppliers	8,538	12,967	15,669
	South China	Suppliers	6,562	15,981	20,955
	Northwest China	Suppliers	2,867	5,607	5,368
	Southwest China	Suppliers	2,676	3,529	6,284
	Central China	Suppliers	1,771	5,026	5,741
	Others	Suppliers	/	157	805
Suppliers subject to the policy	Number of suppliers subject to the supplier management policy	Suppliers	23,000	53,253	69,385
	Coverage rate of suppliers subject to the supplier management system	%	100	100	100
	Strategic procurement suppliers evaluated	Suppliers	380	96	86
	Strategic procurement supplier registered	Suppliers	320	62	65
Customer complaint service	Residential repair reporting & complaint feedback rate	%	100	100	100
	Overall customer satisfaction	%	86	84	85
	Satisfaction with property management service	%	88	86	86

Indicators	Unit	2024	2023	2022
Anti-corruption	Number of employees who received anti-corruption training	Persons	49,790	56,259
	Coverage rate of employees receiving integrity training	%	100	100
Areas of concern	Total input in public welfare and charity donations	RMB10,000	1,583	1,791
	Total input in rural revitalization	RMB10,000	1,558	1,771

Notes to the statistical scope

- a) In 2024, the Company further enhanced data management, refined the scope of environmental statistics, and continued to optimise environmental management. The scope of environmental statistics in the Report covers the following aspects:
 - i. Real estate development: Environmental data of the generation or consumption of the headquarters of Poly Developments and Holdings and administrative offices of all regional branches;
 - ii. Property management: Environmental data of the generation or consumption of the headquarters of Poly Property Services, the administrative offices of its affiliated companies, and the office and non-shared public areas of subordinate projects;
 - iii. Subsidiaries in other industries: Environmental data of the generation or consumption of the administrative offices of all subsidiaries;
- b) The data of Scope 1 GHG cover the direct emissions from the combustion of fuels such as gasoline, diesel, coal gas, natural gas, and liquefied petroleum gas;
- c) The data of Scope 2 GHG cover the indirect emissions from purchased electric power and purchased heat power;
- d) The data of Scope 3 GHG cover Category 6: Business travel, with air travel being the mode of transportation accounted for in the statistics;
- e) The intensity of an environmental indicator is calculated based on the operating revenue;
- f) Direct energy consumption covers the consumption of fuels such as gasoline, diesel, coal gas, natural gas, and liquefied petroleum gas;
- g) Indirect energy consumption covers the consumption of energy such as outsourced electric power and outsourced heat power;
- h) Reason for change in per capita training hours of employees: In 2024, the calculation was expanded to include offline training hours;
- i) Note on the statistical scope of the number of suppliers: In order to maintain data consistency, only the number of suppliers under the system of the headquarters and real estate subsidiaries is reported, excluding the two-winged industrial companies; meanwhile, there are cases in which subsidiaries in different regions use the same suppliers.

Reference standards for data calculation

- 1) For the calculation of direct CO₂ emissions from gasoline, diesel, coal gas, natural gas, and liquefied petroleum gas, the *Greenhouse Gas Emissions Accounting Methods and Reporting Guidelines for Public Buildings Operators (Enterprises) (Trial)* issued by the General Office of the National Development and Reform Commission is referred to;
- 2) For the calculation of indirect CO₂ emissions from outsourced electric power and outsourced heat power, the *Greenhouse Gas Emissions Accounting Methods and Reporting Guidelines for Public Buildings Operators (Enterprises) (Trial)* issued by the General Office of the National Development and Reform Commission is referred to. For the power emission factor, the national average CO₂ emission factor of power in 2022 (0.5366 kgCO₂/kWh) provided in the *Notice on Releasing the Average CO₂ Emission Factor of Power in 2022* issued by the Ministry of Ecology and Environment of the People's Republic of China is referenced;
- 3) For the calculation of outsourced heat power, the *Design Standards for Urban Heating Network* (CJJ/T34-2022) issued by the Ministry of Housing and Urban-Rural Development of the People's Republic of China is referenced;
- 4) The total energy consumption is converted to standard coal equivalent according to *General Rules for Calculation of the Comprehensive Energy Consumption* (GB/T 2589-2020).

Sustainable Development Indicator Index

Index for the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)*

Disclosure Requirements	Section
Climate Change Tackling	Climate Change Tackling
Pollutant Discharge	Ecological and Environmental Friendliness
Waste Disposal	Ecological and Environmental Friendliness
Ecosystem and Biodiversity Protection	Ecological and Environmental Friendliness
Environmental Compliance Management	Ecological and Environmental Friendliness
Energy Usage	Resources and Circular Economy
Usage of Water Resources	Resources and Circular Economy
Circular Economy	Resources and Circular Economy
Rural Revitalization	Advancement of Social Inclusion
Contributions to the Society	Advancement of Social Inclusion
Innovation-driven	Advancement of Social Inclusion
Ethics of Science and Technology	Not Applicable

Disclosure Requirements		Section
Supply Chain Security		Enhancement of the Value Chain Foundation
Equal Treatment to Small and Medium-sized Enterprises		Enhancement of the Value Chain Foundation
Safety and Quality of Products and Services		Enhancement of the Value Chain Foundation
Data Security and Customer Privacy Protection		Enhancement of the Value Chain Foundation
Employees		Promotion of Employee Development
Due Diligence		Risk Management and Internal Control
Communications with Stakeholders		Strengthened Communications with Stakeholders
Anti-commercial Bribery and Anti-corruption		Business Ethics
Anti-unfair Competition		Business Ethics
Self-disclosure topics	Prefabricated and Green Buildings	Resources and Circular Economy
	"Dual-Carbon" Strategy	Climate Change Tackling
	Corporate Governance	Corporate Governance

Index for GRI Standards

General Standard Disclosure Items			Section
GRI 2: General Disclosures 2021	2-1	Organizational details	Company Profile
	2-2	Entities included in the organization's sustainability reporting	Report Preparation Instructions
	2-3	Reporting period, frequency and contact point	Report Preparation Instructions
	2-4	Restatements of information	Not Involved
	2-5	External assurance	Not Applicable
	2-6	Activities, value chain and other business relationships	Business Layout
	2-7	Employees	Promotion of Employee Development Table of Sustainable Development Performance
	2-8	Workers who are not employees	Promotion of Employee Development
	2-9	Governance structure and composition	Corporate Governance
	2-10	Nomination and selection of the highest governance body	Corporate Governance
	2-11	Chair of the highest governance body	Corporate Governance
	2-12	Role of the highest governance body in overseeing the management of impacts	Report Preparation Instructions Sustainable Development Governance
	2-13	Delegation of responsibility for managing impacts	Sustainable Development Governance
	2-14	Role of the highest governance body in sustainability reporting	Dual Materiality Analysis Sustainable Development Governance
	2-15	Conflicts of interest	Corporate Governance
	2-16	Communication of critical concerns	Dual Materiality Analysis Strengthened Communications with Stakeholders
	2-17	Collective knowledge of the highest governance body	Risk Management and Internal Control Business Ethics
	2-18	Evaluation of the performance of the highest governance body	Not Involved
	2-19	Remuneration policies	Promotion of Employee Development Business Ethics

General Standard Disclosure Items			Section
GRI 2: General Disclosures 2021	2-20	Process to determine remuneration	Promotion of Employee Development
	2-21	Annual total compensation ratio	2024 Annual Report
	2-22	Statement on sustainable development strategy	Message from the Senior Management Sustainable Development Strategies
	2-23	Policy commitments	Promotion of Employee Development Enhancement of the Value Chain Foundation Risk Management and Internal Control
	2-24	Embedding policy commitments	Promotion of Employee Development Enhancement of the Value Chain Foundation Risk Management and Internal Control
	2-25	Processes to remediate negative impacts	Strengthened Communications with Stakeholders Ecological and Environmental Friendliness Promotion of Employee Development Enhancement of the Value Chain Foundation Risk Management and Internal Control
	2-26	Mechanisms for seeking advice and raising concerns	Promotion of Employee Development Business Ethics
	2-27	Compliance with laws and regulations	No Instances of Significant Non-compliance
	2-28	Membership associations	Enhancement of the Value Chain Foundation
	2-29	Approach to stakeholder engagement	Strengthened Communications with Stakeholders
GRI 3: Material Topics 2021	2-30	Collective bargaining agreements	Promotion of Employee Development
	3-1	Process to determine material topics	Dual Materiality Analysis Strengthened Communications with Stakeholders Materiality Analysis Conclusions
	3-2	List of material topics	Materiality Analysis Conclusions
	3-3	Management of material topics	Dual Materiality Analysis Strengthened Communications with Stakeholders Materiality Analysis Conclusions

General Standard Disclosure Items			Section
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Table of Sustainable Development Performance
	201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Tackling
	201-3	Defined benefit plan obligations and other retirement plans	Promotion of Employee Development
	201-4	Financial assistance received from government	Undisclosed
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Undisclosed
	202-2	Proportion of senior management hired from the local community	Undisclosed
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Enhancement of the Value Chain Foundation Advancement of Social Inclusion
	203-2	Significant indirect economic impacts	Enhancement of the Value Chain Foundation Advancement of Social Inclusion
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Enhancement of the Value Chain Foundation
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Enhancement of the Value Chain Foundation Business Ethics
	205-2	Communication and training about anti-corruption policies and procedures	Enhancement of the Value Chain Foundation Business Ethics
	205-3	Confirmed incidents of corruption and actions taken	Business Ethics
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Not Occurred
GRI 207: Tax 2019	207-1	Approach to tax	Corporate Governance
	207-2	Tax governance, control, and risk management	Corporate Governance
	207-3	Stakeholder engagement and management of concerns related to tax	Corporate Governance
	207-4	Country-by-country reporting	2024 Annual Report
GRI 301: Materials 2016	301-1	Materials used by weight or volume	Resources and Circular Economy
	301-2	Recycled input materials used	Resources and Circular Economy
	301-3	Reclaimed products and their packaging materials	Resources and Circular Economy
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Table of Sustainable Development Performance
	302-2	Energy consumption outside of the organization	Table of Sustainable Development Performance
	302-3	Energy intensity	Table of Sustainable Development Performance

General Standard Disclosure Items			Section
GRI 302: Energy 2016	302-4	Reduction of energy consumption	Resources and Circular Economy Table of Sustainable Development Performance
	302-5	Reductions in energy requirements of products and services	Resources and Circular Economy Table of Sustainable Development Performance
GRI 303: Water and Effluents 2018	303-1	Interaction with water as a shared resource	Ecological and Environmental Friendliness Resources and Circular Economy
	303-2	Management of water discharge-related impacts	Ecological and Environmental Friendliness
	303-3	Water withdrawal	Undisclosed
	303-4	Water discharge	Undisclosed
	303-5	Water consumption	Table of Sustainable Development Performance
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Ecological and Environmental Friendliness
	304-2	Significant impacts of activities, products and services on biodiversity	Ecological and Environmental Friendliness
	304-3	Habitats protected or restored	Ecological and Environmental Friendliness
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Ecological and Environmental Friendliness
GRI 305: Emissions 2016	305-1	Direct (Scope1) GHG emissions	Table of Sustainable Development Performance
	305-2	Energy indirect (Scope 2) GHG emissions	Table of Sustainable Development Performance
	305-3	Other indirect (Scope 3) GHG emissions	Table of Sustainable Development Performance
	305-4	GHG emissions intensity	Table of Sustainable Development Performance
	305-5	Reduction of GHG emissions	Climate Change Tackling Table of Sustainable Development Performance
	305-6	Emissions of ozone-depleting substances (ODS)	Not Applicable
	305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Not Applicable
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Ecological and Environmental Friendliness
	306-2	Management of significant waste-related impacts	Ecological and Environmental Friendliness
	306-3	Waste generated	Ecological and Environmental Friendliness Table of Sustainable Development Performance
	306-4	Waste diverted from disposal	Undisclosed

General Standard Disclosure Items			Section
GRI 306: Waste 2020	306-5	Waste directed to disposal	Undisclosed
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Enhancement of the Value Chain Foundation
	308-2	Negative environmental impacts in the supply chain and actions taken	Enhancement of the Value Chain Foundation
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Undisclosed
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Promotion of Employee Development
	401-3	Parental leave	Undisclosed
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Not Applicable
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Promotion of Employee Development
	403-2	Hazard identification, risk assessment, and incident investigation	Promotion of Employee Development
	403-3	Occupational health services	Promotion of Employee Development
	403-4	Worker participation, consultation, and communication on occupational health and safety	Promotion of Employee Development
	403-5	Worker training on occupational health and safety	Promotion of Employee Development
	403-6	Promotion of worker health	Promotion of Employee Development
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Promotion of Employee Development
	403-8	Workers covered by an occupational health and safety management system	Promotion of Employee Development
	403-9	Work-related injuries	Promotion of Employee Development
	403-10	Work-related ill health	Promotion of Employee Development
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Table of Sustainable Development Performance
	404-2	Programs for upgrading employee skills and transition assistance programs	Promotion of Employee Development
	404-3	Percentage of employees receiving regular performance and career development reviews	Promotion of Employee Development
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Promotion of Employee Development Corporate Governance
	405-2	Ratio of basic salary and remuneration of women to men	Promotion of Employee Development
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Promotion of Employee Development
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Enhancement of the Value Chain Foundation

General Standard Disclosure Items			Section
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	Enhancement of the Value Chain Foundation
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Enhancement of the Value Chain Foundation
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	Not Applicable
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous people	Not Occurred
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Advancement of Social Inclusion
	413-2	Operations with significant actual and potential negative impacts on local communities	Not Applicable
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Table of Sustainable Development Performance
	414-2	Negative social impacts in the supply chain and actions taken	Enhancement of the Value Chain Foundation
GRI 415: Public Policy 2016	415-1	Political contributions	Not Applicable
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Enhancement of the Value Chain Foundation
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not Occurred
GRI 417: Marketing and Labelling 2016	417-1	Requirements for product and service information and labeling	Enhancement of the Value Chain Foundation
	417-2	Incidents of non-compliance concerning product and service information and labeling	Not Occurred
	417-3	Incidents of non-compliance concerning marketing communications	Not Occurred
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not Occurred

Index for the *ESG Special Report Reference Indicator System for Listed Companies Controlled by Central State-owned Enterprises*

Primary Indicator	Secondary Indicator	Tertiary Indicator	Section
E.1 Resource consumption	E.1.1 Water resource	E.1.1.1 Fresh water consumption	Table of Sustainable Development Performance
		E.1.1.2 Recycled water consumption	Table of Sustainable Development Performance
		E.1.1.3 Proportion of recycled water used	Table of Sustainable Development Performance
		E.1.1.4 Water resource consumption intensity	Table of Sustainable Development Performance
	E.1.2 Materials	E.1.2.1 Non-renewable material consumption	Undisclosed
		E.1.2.2 Toxic and hazardous material consumption	Undisclosed
		E.1.2.3 Material consumption intensity	Undisclosed
	E.1.3 Energy	E.1.3.1 Fossil energy consumption	Table of Sustainable Development Performance
		E.1.3.2 Non-fossil energy consumption	Table of Sustainable Development Performance
		E.1.3.3 Proportion of non-fossil energy used	Table of Sustainable Development Performance
		E.1.3.4 Total energy consumption	Table of Sustainable Development Performance
		E.1.3.5 Energy consumption intensity	Table of Sustainable Development Performance
	E.1.4 Packaging materials	E.1.4.1 Packaging material consumption	Not Applicable
		E.1.4.2 Lightweight and reduction of packaging materials	Not Applicable
E.2 Pollution prevention and control	E.2.1 Wastewater	E.2.1.1 Wastewater discharge compliance	Ecological and Environmental Friendliness
		E.2.1.2 Wastewater management and discharge reduction measures	Ecological and Environmental Friendliness
		E.2.1.3 Wastewater discharge	Table of Sustainable Development Performance
		E.2.1.4 Pollutant discharge in wastewater	Table of Sustainable Development Performance
		E.2.1.5 Pollutant discharge concentration in wastewater	Table of Sustainable Development Performance
	E.2.2 Exhaust gas	E.2.2.1 Exhaust gas compliance	Ecological and Environmental Friendliness
		E.2.2.2 Pollutant discharge in exhaust gas	Table of Sustainable Development Performance
		E.2.2.3 Pollutant discharge concentration in exhaust gas	Table of Sustainable Development Performance

Primary Indicator	Secondary Indicator	Tertiary Indicator	Section
E.2 Pollution prevention and control	E.2.3 Solid waste	E.2.3.1 Solid waste disposal compliance	Ecological and Environmental Friendliness
		E.2.3.2 Non-hazardous industrial solid waste management	Ecological and Environmental Friendliness
		E.2.3.3 Volume of non-hazardous industrial solid waste disposed of	Table of Sustainable Development Performance
		E.2.3.4 Hazardous waste management	Ecological and Environmental Friendliness
		E.2.3.5 Volume of hazardous waste disposed of	Table of Sustainable Development Performance
E.3 Climate change	E.3.1 GHG emissions	E.3.1.1 Sources and types of GHG	Table of Sustainable Development Performance
		E.3.1.2 GHG emission management	Table of Sustainable Development Performance
		E.3.1.3 Scope 1 emissions	Table of Sustainable Development Performance
		E.3.1.4 Scope 2 emissions	Table of Sustainable Development Performance
		E.3.1.5 Scope 3 emissions	Table of Sustainable Development Performance
		E.3.1.6 GHG emission intensity	Table of Sustainable Development Performance
	E.3.2 Emission reduction management	E.3.2.1 GHG emission reduction management	Climate Change Tackling
		E.3.2.2 Volume of GHG emissions reduced	Table of Sustainable Development Performance
	E.3.3 Environmental rights trading	E.3.3.1 Participation in carbon emission trading markets	Not Involved
		E.3.3.2 Engagement in energy use, water use and pollution discharge permit trading	Not Involved
		E.3.3.3 Engagement in green power trading	Not Involved
	E.3.4 Climate risk management	E.3.4.1 Climate risk management	Climate Change Tackling
E.4 Biodiversity	E.4.1 Impacts of production, services and products on biodiversity	E.4.1.1 Impacts of production, services and products on biodiversity	Ecological and Environmental Friendliness
E.5 Resource and environmental management systems and measures	E.5.1 Low-carbon development objectives setting and strategic measures	E.5.1.1 Low-carbon development objectives setting and strategic measures	Climate Change Tackling
		E.5.2.1 Water resource use management	Resources and Circular Economy
		E.5.2.2 Material use management	Resources and Circular Economy
	E.5.2 Resource management measures	E.5.2.3 Energy use and conservation management	Resources and Circular Economy
		E.5.3.1 Monitoring, statistical report, assessment system for energy conservation and carbon reduction	Climate Change Tackling
	E.5.4 Green actions and measures for environmental protection	E.5.4.1 Clean production	Ecological and Environmental Friendliness
		E.5.4.2 Green technological upgrading and cyclic utilisation	Resources and Circular Economy

Primary Indicator	Secondary Indicator	Tertiary Indicator	Section
E.5 Resource and environmental management systems and measures	E.5.4 Green actions and measures for environmental protection	E.5.4.3 Green building renovation	Resources and Circular Economy
		E.5.4.4 Green office and operation	Ecological and Environmental Friendliness Resources and Circular Economy
		E.5.4.5 Green procurement and green supply chain management	Ecological and Environmental Friendliness
		E.5.4.6 Public benefit activities for environmental protection	Ecological and Environmental Friendliness
	E.5.5 Green and low-carbon certification	E.5.5.1 Environmental management system certificate	Ecological and Environmental Friendliness
		E.5.5.2 Green and low-carbon enterprise certification	Not Involved
		E.5.5.3 Green and low-carbon product and service certification	Not Involved
	E.5.6 Environmental legitimacy and compliance	E.5.6.1 Emergency plan for unexpected environmental incidents	Ecological and Environmental Friendliness
		E.5.6.2 Environmental crimes and violations	Ecological and Environmental Friendliness
S1 Employee rights and interests	S1.1 Employee recruitment and employment	S1.1.1 Employment policies and implementation of the policies	Promotion of Employee Development
		S1.1.2 Employee composition	Table of Sustainable Development Performance
		S1.1.3 Avoidance of child labour or compulsory labour	Promotion of Employee Development
	S1.2 Employee remuneration and welfare	S1.2.1 Remuneration concept and policies	Promotion of Employee Development
		S1.2.2 Working hours and rest/leave	Promotion of Employee Development
		S1.2.3 Remuneration and welfare protection	Promotion of Employee Development
		S1.2.4 Democratic employee management	Promotion of Employee Development
	S1.3 Employee health and safety	S1.3.1 Occupational health and safety management	Promotion of Employee Development
		S1.3.2 Employee safety risk control	Promotion of Employee Development
		S1.3.3 Response to safety incidents and work-related injuries	Promotion of Employee Development
		S1.3.4 Employee care and support	Promotion of Employee Development
	S1.4 Employee development and training	S1.4.1 Employee incentive and promotion policies	Promotion of Employee Development
		S1.4.2 Employee education and training	Promotion of Employee Development
		S1.4.3 Career planning and position change support	Promotion of Employee Development
	S1.5 Employee satisfaction	S1.5.1 Employee satisfaction investigation	Conducted in 2023
		S1.5.2 Labour disputes	Not Involved
		S1.5.3 Employee turnover	Undisclosed

Primary Indicator	Secondary Indicator	Tertiary Indicator	Section
S2 Product and service management	S2.1 Product safety and quality	S2.1.1 Standard production management policies and measures	Enhancement of the Value Chain Foundation
		S2.1.2 Quality management	Enhancement of the Value Chain Foundation
		S2.1.3 Product recall and withdrawal	Not Applicable
		S2.1.4 Negative product or service incidents	Not Involved
	S2.2 Customer service and customers' rights and interests	S2.2.1 Customer satisfaction	Enhancement of the Value Chain Foundation
		S2.2.2 Customer complaint and settling	Enhancement of the Value Chain Foundation
		S2.2.3 Customer information and privacy protection	Enhancement of the Value Chain Foundation
	S2.3 Innovative development	S2.3.1 R&D and innovation management system	Advancement of Social Inclusion
		S2.3.2 R&D input	Table of Sustainable Development Performance
		S2.3.3 Innovation achievements	Advancement of Social Inclusion
		S2.3.4 Intellectual property protection	Business Ethics
S3 Supply chain security and management	S3.1 Supplier management	S3.1.1 Supplier selection and management	Enhancement of the Value Chain Foundation
		S3.1.2 Supplier quantity and distribution	Table of Sustainable Development Performance
	S3.2 Supply chain process management	S3.2.1 Supply chain management policies and measures	Enhancement of the Value Chain Foundation
		S3.2.2 Supply chain safety assurance and emergency plan	Enhancement of the Value Chain Foundation
		S3.2.3 Significant risks and impacts (supply chain)	Not Involved
S4 Social contribution	S4.1 Tax payment	S4.1.1 Tax payment	Undisclosed
	S4.2 Community co-construction	S4.2.1 Policies and measures for engagement in local community construction	Advancement of Social Inclusion
		S4.2.2 Contribution and impacts on local community	Advancement of Social Inclusion
	S4.3 Social public benefit activities	S4.3.1 Policies and measures for engagement in social public benefit activities	Advancement of Social Inclusion
		S4.3.2 Investment in social public benefit activities and effects	Advancement of Social Inclusion
		S4.3.3 Battier-free environment building	Advancement of Social Inclusion
	S4.4 Response to national strategies	S4.4.1 Industrial transformation	Advancement of Social Inclusion
		S4.4.2 Rural revitalization and coordinated regional development	Advancement of Social Inclusion
		S4.4.3 Belt and Road Initiative and overseas duty performance	Advancement of Social Inclusion
		S4.4.4 Industry features and other social responsibility performance	Advancement of Social Inclusion

Primary Indicator	Secondary Indicator	Tertiary Indicator	Section
G1 Governance strategy and organisational structure	G1.1 Governance policies and processes	G1.1.1 Governance policy formulation	Corporate Governance
		G1.1.2 Governance policy supervision process	Corporate Governance
		G1.1.3 Governance policy approval and review process	Corporate Governance
		G1.1.4 Party building leadership	Corporate Governance
	G1.2 Organisational composition and functions	G1.2.1 Ownership responsibility	Corporate Governance
		G1.2.2 Organisational structure and functions of the Board of Directors, Board of Supervisors and the Management	Corporate Governance
		G1.2.3 Appointment procedure and composition of the Board of Directors, Board of Supervisors and the Management	Corporate Governance
	G1.3 Remuneration management	G1.3.1 Remuneration plans for directors and supervisors	Undisclosed
		G1.3.2 Transparent remuneration for the Board of Directors	Undisclosed
		G1.3.3 Reasonable remuneration for the Management	Undisclosed
G2 Standard governance	G2.1 Internal control	G2.1.1 Internal audit	Risk Management and Internal Control
		G2.1.2 Internal control structure, mechanism and procedure	Risk Management and Internal Control
	G2.2 Integrity building	G2.2.1 Integrity building policies and regulations	Business Ethics
		G2.2.2 Effect of integrity building measures	Business Ethics
	G2.3 Fair competition	G2.3.1 Fair competition policies and regulations	Business Ethics
		G2.3.2 Fair competition measures and effects	Business Ethics
G3 Investor relation management and shareholders' rights and interests	G3.1 Investor relation management	G3.1.1 Investor relation management strategy	Corporate Governance
		G3.1.2 Investor communication	Corporate Governance
		G3.1.3 Investor relation management department building	Corporate Governance
	G3.2 Shareholders' rights and interests	G3.2.1 Shareholders' general meeting	Corporate Governance
		G3.2.2 Shareholder communication	Corporate Governance
		G3.2.3 Shareholders' right to know and participate in decision-making	Corporate Governance
	G3.3 Creditors' rights and interests	G3.3.1 Credit standing	Undisclosed
		G3.3.2 Contract fulfilment in the bond market	Undisclosed

Primary Indicator	Secondary Indicator	Tertiary Indicator	Section
G4 Transparency of information disclosure	G4.1 Information disclosure policies	G4.1.1 Financial information disclosure	Corporate Governance
		G4.1.2 Non-financial information disclosure	Corporate Governance
	G4.2 Information disclosure quality	G4.2.1 Regular monitoring, audit and assessment of all disclosures	Corporate Governance
G5 Compliant operation and risk management	G5.1 Compliant operation	G5.1.1 Compliant operation policies	Corporate Governance
		G5.1.2 Compliance system building	Corporate Governance
		G5.1.3 Compliance review process	Corporate Governance
	G5.2 Risk management	G5.2.1 Risk identification and early warning	Risk Management and Internal Control
		G5.2.2 Risk control and tracking	Risk Management and Internal Control
		G5.2.3 Risk reporting and management	Risk Management and Internal Control

Index for *CASS-ESG 5.0*

No.	Scope of Responsibility	CASS-ESG 5.0 Indicator	Section
P1	Report standards	P1.1 Quality assurance	Report Preparation Instructions
		P1.2 Information description	Report Preparation Instructions
		P1.3 Reporting system	Report Preparation Instructions
P2	Message from the Management	P2.1 Situation analysis and strategic considerations on ESG work	Sustainable Development Strategies
		P2.2 Progress of annual ESG work	Sustainable Development Indicators and Targets
P3	Responsibility focus	P3.1 Significant events of annual ESG work	Sustainable Development Indicators and Targets
P4	Corporate profile	P4.1 Basic information	Company Profile
		P4.2 Strategy and culture	Corporate Culture
		P4.3 Business profile	Business Layout
		P4.4 Significant changes in the organizational scale, structure, ownership or supply chain during the Reporting Period	Not Involved
G1	Corporate governance	G1.1 Diversified composition of the Board of Directors	Corporate Governance
		G1.2 Board of Directors independence	Corporate Governance
		G1.3 Legality and compliance system	Corporate Governance
		G1.4 Legality and compliance training performances	Corporate Governance
		G1.5 Combat against unfair competition	Business Ethics
		G1.6 Complaint and reporting mechanism	Business Ethics
		G1.7 Anti-commercial bribery and anti-corruption systems	Business Ethics
		G1.8 Anti-corruption training performances	Business Ethics
		G1.9 Corruption incidents and responses	Business Ethics
		G1.10 Information transparency	Corporate Governance
		G1.11 Punishment incidents due to violation of information disclosure requirements	Not Involved

No.	Scope of Responsibility	CASS-ESG 5.0 Indicator	Section
G2	ESG governance by the Board of Directors	G2.1 Managerial policies of the Board of Directors on ESG	Sustainable Development Governance
		G2.2 Leadership mechanism of the Board of Directors on ESG work	Sustainable Development Governance
		G2.3 Identification of ESG risks and opportunities by the Board of Directors	Sustainable Development Governance
		G2.4 Board of Directors reviews of ESG objectives	Sustainable Development Governance
		G2.5 Executive compensation linked to ESG	Sustainable Development Governance
G3	ESG management	G3.1 Departments responsible for ESG work	Sustainable Development Governance
		G3.2 ESG strategies	Sustainable Development Governance
		G3.3 ESG work system	Sustainable Development Governance
		G3.4 Involvement in ESG researches or industrial ESG standards	Not Involved
		G3.5 Identification of ESG materiality issues	Dual Materiality Analysis
		G3.6 Communications with stakeholders	Strengthened Communications with Stakeholders
		G3.7 ESG information disclosure channels	Report Preparation Instructions
		G3.8 ESG assessment system	Sustainable Development Governance
		G3.9 ESG training	Sustainable Development Governance
		G3.10 ESG training performances	Sustainable Development Governance
		G3.11 ESG honours	Sustainable Development Indicators and Targets
E1	Environmental management	E1.1 Environmental management system	Ecological and Environmental Friendliness
		E1.2 Environmental management objectives	Ecological and Environmental Friendliness
		E1.3 Input in environmental protection	Ecological and Environmental Friendliness
		E1.4 Mechanism for early warning and emergency response of environmental protection	Ecological and Environmental Friendliness
		E1.5 Policies on environmental assessment of new projects	Ecological and Environmental Friendliness
		E1.6 Qualification for environmental management system certificate	Ecological and Environmental Friendliness
		E1.7 Environmental protection training and education	Resources and Circular Economy
		E1.8 Researches and developments and applications of environment-friendly products or technologies	Resources and Circular Economy
		E1.9 Violations of laws and regulations on environmental protection and punishments	Ecological and Environmental Friendliness

No.	Scope of Responsibility	CASS-ESG 5.0 Indicator	Section
E2	Resource utilization	E2.1 Energy management system	Resources and Circular Economy
		E2.2 Energy consumption	Table of Sustainable Development Performance
		E2.3 Energy consumption intensity	Table of Sustainable Development Performance
		E2.4 Policies on clean energy usage	Resources and Circular Economy
		E2.5 Clean energy consumption	Table of Sustainable Development Performance
		E2.6 Policies on reducing the use of packaging materials for finished products	Not Involved
		E2.7 Total amount of packaging materials used for finished products	Not Involved
		E2.8 Proportion of recycled packaging materials for finished products	Not Involved
		E2.9 Policies on water resource use	Resources and Circular Economy
		E2.10 Fresh water consumption	Table of Sustainable Development Performance
		E2.11 Water consumption intensity	Table of Sustainable Development Performance
		E2.12 Water saving amount	Table of Sustainable Development Performance
		E2.13 Volume of water recycled	Table of Sustainable Development Performance
		E2.14 Measures for green office	Ecological and Environmental Friendliness
		E2.15 Green office performances	Ecological and Environmental Friendliness
E3	Emissions	E3.1 Policies on reducing waste water discharge	Ecological and Environmental Friendliness
		E3.2 Waste water discharge	Table of Sustainable Development Performance
		E3.3 Policies on reduction of waste gas emission	Ecological and Environmental Friendliness
		E3.4 Waste gas emission	Table of Sustainable Development Performance
		E3.5 Management policies on exhaust gas emissions	Ecological and Environmental Friendliness
		E3.6 General waste discharge	Table of Sustainable Development Performance
		E3.7 General waste discharge intensity	Table of Sustainable Development Performance
		E3.8 Hazardous waste discharge	Table of Sustainable Development Performance
		E3.9 Hazardous waste discharge intensity	Table of Sustainable Development Performance
		E3.10 Waste recycling performances	Table of Sustainable Development Performance

No.	Scope of Responsibility	CASS-ESG 5.0 Indicator	Section
E4	Ecological safety protection	E4.1 Impact of business operation on biodiversity and ecology	Ecological and Environmental Friendliness
		E4.2 Biodiversity protection actions	Ecological and Environmental Friendliness
		E4.3 Ecological remediation governance	Ecological and Environmental Friendliness
E5	Response to climate change	E5.1 Governance mechanism for tackling climate-related risks and opportunities	Climate Change Tackling
		E5.2 Impact of climate-related risks and opportunities on the operation	Climate Change Tackling
		E5.3 Climate-related risks management	Climate Change Tackling
		E5.4 Objectives and performances around climate-related risks and opportunities	Climate Change Tackling
		E5.5 Direct GHG emissions	Table of Sustainable Development Performance
		E5.6 Indirect GHG emissions	Table of Sustainable Development Performance
		E5.7 GHG emissions intensity	Table of Sustainable Development Performance
S1	Employment	S1.1 Compliance with labour standards	Promotion of Employee Development
		S1.2 Diversity and equality of opportunity	Promotion of Employee Development
		S1.3 Staff composition	Table of Sustainable Development Performance
		S1.4 Labor contract signing rate	Table of Sustainable Development Performance
		S1.5 Employee turnover rate	Undisclosed
		S1.6 Democratic management	Promotion of Employee Development
		S1.7 Remuneration and benefit system	Promotion of Employee Development
		S1.8 Social insurance coverage rate	Table of Sustainable Development Performance
		S1.9 Number of per capita days of paid annual leave	Undisclosed
		S1.10 Employee care	Promotion of Employee Development
		S1.11 Employee satisfaction	Conducted in 2023
S2	Development and training	S2.1 Career development access	Promotion of Employee Development
		S2.2 Job training system	Promotion of Employee Development
		S2.3 Input in job training	Promotion of Employee Development
		S2.4 Job training performances	Table of Sustainable Development Performance

No.	Scope of Responsibility	CASS-ESG 5.0 Indicator	Section
S3	Occupational health and safety production	S3.1 Occupational health management	Promotion of Employee Development
		S3.2 Qualification for occupational health and safety management system certificate	Promotion of Employee Development
		S3.3 Number of new occupational diseases	Promotion of Employee Development
		S3.4 Work safety management system	Promotion of Employee Development
		S3.5 Safety publicity, implementation and training	Promotion of Employee Development
		S3.6 Check and remediation of hidden perils	Promotion of Employee Development
		S3.7 Emergency management system	Promotion of Employee Development
		S3.8 Safety production input	Promotion of Employee Development
		S3.9 Work safety training performance	Promotion of Employee Development
		S3.10 Number of safety production accidents	Table of Sustainable Development Performance
		S3.11 Number of work-related injuries/fatalities	Undisclosed
		S3.12 Lost days due to work-related injury.	Undisclosed
S4	Responsibilities to customers	S4.1 Product/service quality management	Enhancement of the Value Chain Foundation
		S4.2 Product percent of pass	Not Applicable
		S4.3 Responsible marketing	Enhancement of the Value Chain Foundation
		S4.4 Loss stoppage and compensation mechanism	Enhancement of the Value Chain Foundation
		S4.5 Active response to customer complaints	Enhancement of the Value Chain Foundation
		S4.6 Information security and privacy protection	Enhancement of the Value Chain Foundation
		S4.7 Customer satisfaction	Enhancement of the Value Chain Foundation
		S4.8 Resolution rate of complaints	Enhancement of the Value Chain Foundation
		S4.9 Negative customer health and safety incidents during the Reporting Period	Enhancement of the Value Chain Foundation
S5	Responsible supply chain management	S5.1 ESG management system for the supply chain	Enhancement of the Value Chain Foundation
		S5.2 ESG review and assessment for suppliers	Enhancement of the Value Chain Foundation
		S5.3 Number of suppliers reviewed	Table of Sustainable Development Performance
		S5.4 Number of suppliers involved in the termination of cooperation due to non-compliance	Undisclosed

No.	Scope of Responsibility	CASS-ESG 5.0 Indicator	Section
S5	Responsible supply chain management	S5.5 Number of potential suppliers denied due to non-compliance	Undisclosed
		S5.6 ESG training system for suppliers	Enhancement of the Value Chain Foundation
		S5.7 ESG training performances of suppliers	Enhancement of the Value Chain Foundation
V1	Value for the country	V1.1 Philosophy of and policy on serving major national strategies	Advancement of Social Inclusion
		V1.2 Fields of contributions to major national strategies	Advancement of Social Inclusion
		V1.3 Actions and measures for serving major national strategies	Advancement of Social Inclusion
		V1.4 Effect of serving major national strategies	Advancement of Social Inclusion
V2	Industry value	V2.1 Technical innovation system and mechanism	Advancement of Social Inclusion
		V2.2 Actions and measures for technical innovation	Advancement of Social Inclusion
		V2.3 Input in R&D	Table of Sustainable Development Performance
		V2.4 Major technical innovation achievements	Advancement of Social Inclusion
		V2.5 Drive for coordinated development of the upstream and downstream industrial chain	Advancement of Social Inclusion
		V2.6 Guarantee for safety and stability of the industrial chain and the supply chain	Enhancement of the Value Chain Foundation
		V2.7 Involvement in the establishment of industrial standards	Enhancement of the Value Chain Foundation
		V2.8 Strategic cooperation mechanism and platform	Advancement of Social Inclusion
V3	Value for people's well-being	V3.1 Actions and measures for driving the employment	Promotion of Employee Development
		V3.2 Number of newly employed people	Promotion of Employee Development
		V3.3 Involvement in the infrastructure construction	Advancement of Social Inclusion
		V3.4 Fields of charity actions	Advancement of Social Inclusion
		V3.5 Create a branded charity program	Advancement of Social Inclusion
		V3.6 Total amount of charitable donations	Advancement of Social Inclusion
		V3.7 Volunteer service performance	Advancement of Social Inclusion
V4	Environmental value	V4.1 Strategies for and objectives of carbon peaking and carbon neutrality	Climate Change Tackling
		V4.2 Action plans and paths of carbon peaking and carbon neutrality	Climate Change Tackling
		V4.3 Effect of less carbon and reduction of carbon	Climate Change Tackling

No.	Scope of Responsibility	CASS-ESG 5.0 Indicator	Section
V4	Environmental value	V4.4 Actions and measures for the green ecology protection	Ecological and Environmental Friendliness
		V4.5 Progress and effect of the green ecology protection	Ecological and Environmental Friendliness
A1	Future Plan	The Company's planning for social responsibility work	Sustainable Development Strategies
A2	Key Performance Table	Centralized presentation of key data of the enterprise's annual social responsibility	Sustainable Development Indicators and Targets
A3	Report Evaluation	Evaluation on the Report by social responsibility experts or industrial experts, stakeholders or professional institutions	Undisclosed
A4	Reference Index	Adoption of the disclosed indicators as required in the guideline	Sustainable Development Indicator Index
A5	Feedback	Reader questionnaire or reader feedback channel	Feedback

Feedback

Dear readers,

Thank you for taking the time to review this report. This is the 2024 Sustainability Report released by Poly Developments and Holdings, and we sincerely hope that you can evaluate this report and provide us with your valuable comments to help us continuously improve to the report.

Feedback Form for the 2024 Sustainability Report of Poly Developments and Holdings Group Co., Ltd.

Name:

Employer:

Position:

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Your evaluation of this Report: (please check "√" accordingly)

Question	Excellent	Good	Fair	Poor	Terrible
Do you think this Report has highlighted the Company's important information on sustainable development?	☐	☐	☐	☐	☐
Do you think this Report has clearly, accurately and completely disclosed information and data?	☐	☐	☐	☐	☐
Do you think the content arrangement and style design of this Report make reading easier?	☐	☐	☐	☐	☐

Which part of this Report interests you the most?

What other important information do you think is not included in this report?

What suggestions do you have for our future release of sustainable development reports?

